

JPRS 83927

19 July 1983

West Europe Report

No. 2175

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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WEST EUROPE REPORT

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SCHMIDT STILL SEES NATO'S DUAL DECISION AS RIGHT

Hamburg DIE ZEIT in German 3 Jun 83 p 4

[Article by Helmut Schmidt: "The Dual Decision Is Still Right as Before; The SS-20 Threat and a Possible Compromise"]

[Text] Key Word: Counterarmament.

Rocket armaments in Europe are the hottest political issue of 1983. DIE ZEIT will discuss it from various points of view in a series of articles.

Even though a different impression is sometimes given here and there in the daily press, so far I cannot see any reason to change my judgment and objective with regard to the Soviet threat posed by the intermediate-range rockets.

It was always my goal, since my London speech in the fall of 1977, to include the Euro-strategic weapon--i.e., the intermediate-range weapons stationed in Europe--in the armaments limitations of SALT II and the recently begun START treaties. I have always vigorously rejected the tendency of the superpowers to term these weapons "theater" or "tactical" nuclear weapons. The Soviets' threat to wipe out Belgium, the Netherlands, Germany or other Western European nations goes categorically beyond the framework of mere "tactics" or a military "theater." If the mutual threat of the two nuclear superpowers is a "strategic" threat, then so, of course, is it a qualitatively equivalent threat against the Western European nations. It was therefore always my goal that the two superpowers should limit not only their mutual threat but also the nuclear threat to Western Europe.

Neither President Carter nor Secretary General Brezhnev followed these ideas. Instead they concluded SALT II in the spring of 1979 without including the Euro-strategic weapons.

President Carter avoided the issue for 2 years until at the end of 1978 he recognized the danger in the unilateral Soviet SS-20 build-up: namely the danger that in a future crisis the Federal Republic of Germany and other Western European nations could be separated from their ally the United States. During the Big Four meeting in Guadeloupe in the French Antilles in January

1979, Carter proposed to station American Euro-strategic weapons in Europe to balance the Soviet SS-20s and Backfires. The three European leaders--Giscard, Callaghan and I--agreed with two important conditions:

1. There should first be negotiations with the Soviet Union (within the framework of SALT III) on a reduction of its Euro-strategic arms; 4 years should be allowed for this purpose.
2. The Soviet leadership should know beforehand, so that it will take the desire for and goal of the negotiations seriously, and that if a negotiated settlement is not reached, the United States and Western Europe would proceed with the stationing of their own weapons.

This decision was spelled out completely and finally in the North Atlantic Alliance in December 1979 after approval by all of the governments involved and formally adopted by the North Atlantic Council. The last clause of this resolution of the North Atlantic Council which is still in effect, reads: "The TNF [Theater Nuclear Forces] (rocket) requirements of NATO will be examined in light of the concrete results of negotiations."

I still consider this decision to be corrent. I also still consider it necessary that in no circumstances should the territory of the Federal Republic of Germany alone be considered for the stationing of these weapons but that Italian, Dutch and Belgian territory should also be provided (and likewise the territory of Great Britain, a nuclear power). That seems certain to be the case.

Since then the Soviet leadership has multiplied its SS-20s, which originally were probably aimed only at German targets. The Soviet attitude has probably changed a number of times. In the spring of 1978 Brezhnev, with the SS-20 in mind, told me that there was an approximate balance. But at that time there were only about two dozen SS-20s stationed in Europe; today there are ten times that number. In the fall of 1979 the Soviet leadership publicly refused in strong words to negotiate at all on Euro-strategic weapons; only on 1 July 1980, did they drop this refusal--under the correct impression that otherwise the federal chancellor at that time was determined to proceed with stationing. In the second half of 1980 and throughout 1981 the Soviets expressly did not demand inclusion of the English and French nuclear weapons in the negotiations; in 1982, however, they suddenly declared the English and French nuclear weapons, which had been in existence for years, to be an essential component of the Euro-strategic negotiations in Geneva. The Soviets are now pushing the French and British weapons as a reason for needing a considerable portion of their SS-20s; new American intermediate-range weapons, however, upset the balance in Europe, they claim.

Changes in attitude on the American side are also noticeable. At the conclusion of SALT II in June 1979 the enormous significance of the resolution made 6 months previously at Guadeloupe was not made clear to the Soviet leadership. The issue seems not to have been touched on at all in Vienna, to my horror at the time. It then passed temporarily into the background as a result of the almost one-and-a-half-year tug-of-war over the ratification

of SALT II and the change of presidents from Carter to Reagan. In place of the proposed SALT III negotiations came the intention to take up the START talks and the separate INF [International Nuclear Forces] negotiations.

The superpowers have concerned themselves seriously over negotiations only since the late fall of 1981. They have spent a lot of time persisting in their initial positions: the United States wishing ideally to reduce the Soviet SS-20s to zero and under this assumption to continue at zero and not to station new weapons in Europe, and the Soviet leadership wishing ideally to keep as large as possible a portion of the SS-20s which had been stationed in the meantime, and in addition to keep the United States at zero in Europe, as has so far been the case.

It was clear that neither of the two superpowers could accept the initial position of their negotiating partner. Rather a compromise was offered. The Western side was also aiming at it from the beginning, otherwise 4 years would not have had to be conceded for the negotiations.

In the meantime a certain flexibility became noticeable on both sides. In the summer of 1980 the two negotiating leaders Nitze (United States) and Kvitsinskii (USSR) outlined in nonbinding talks a possible compromise. Subsequently, however, the two superpowers disavowed their negotiating leaders.

I would accept the Nitze-Kvitsinskii compromise without much hesitation. It is in the Western European and German interest: it drastically reduces the number of SS-20s; it limits the number of Euro-strategic weapons about equally on the two sides; in principle it does not impair the distribution of the new American weapons on the territories of the above-mentioned Western European states; and it avoids the danger of the isolation of Germany.

Although the two negotiators are qualified within their governments as top specialists, the two governments have not yet publicly stated why they rejected the compromise proposal. I am convinced that a final result of the negotiations will not be able to deviate very far from this compromise proposal. The two negotiating partners still have more than 6 months to effect a compromise.

On the day of the constructive vote of no-confidence, 1 October 1982, I stated before the Bundestag: "As a country that has pledged itself neither to possess nor to aspire to possess nuclear weapons, the Federal Republic must stubbornly insist on our contractual claim that the superpowers disarm their nuclear arsenals. As a country in which nuclear weapons are stationed, Germany has a vital interest, especially at the Geneva INF negotiations, in intermediate-range weapons. We must follow the negotiations critically and make suggestions. If, however, the negotiations, in spite of the most vigorous efforts of our American friends, remain without result, we will need an appropriate counterbalance to the Soviet SS-20 rockets which threaten us."

Here I would like to remain. Whoever would give up beforehand the additional armaments which would become necessary in an emergency would in the end be

forced to accept the current situation of about 750 atomic warheads aimed at Western Europe, mounted three each on about 250 SS-20 rockets, and the political threat deriving from them. I do not consider this to be acceptable, and I also do not believe that Secretary General Andropov, after a unilateral Western renunciation of this sort, would put through the Politburo a voluntary scrapping of all of the Soviet SS-20 rockets. This would mean that the Soviet Union would give up a large political-strategic and military-strategic advantage, against the will, moreover, of those members of the Politburo who worked for 10 years to build up this advantage.

Should there be no compromise on limiting intermediate-range weapons in Europe and thus should Western deployment become necessary, considerable internal political burdens would be placed on the Alliance nations involved and on the relations between the Alliance nations and the United States. They would be easier to bear if the Americans:

1. would document the seriousness of their own desire for compromise so unambiguously that in the future there could be no doubt of it and
2. would avoid giving the impression that they are willing to deploy additional nuclear weapons in Europe, that is on foreign territory, but are not ready to deploy additional rockets on their own soil.

If the United States accepted the Nitze-Kvitsinskii proposal without regard to Soviet rejection, my doubts would have been removed. The Americans would then in fact have made, as I said on October 1, "most vigorous efforts." But there is still room for it.

Since the Nitze-Kvitsinskii proposal includes only ground-based cruise missiles and not the Pershing II rockets, it probably could not prevent a change in the hitherto existing plan for the installation of cruise missiles on our territory; their deployment must be begun immediately, not in 1985-1986, as formerly foreseen. We Germans should not give the impression that we are striving for our own advantage. Since until now the deployment of Pershing IIs on the territory of the Federal Republic was intended as a first step, with their abolition the installation of cruise missiles on our territory should be given temporary preference.

In any case the last clause of the NATO dual resolution remains significant: "The decision will be made in the light of concrete results of negotiations." I would wish to adhere to it.

Above all I also want to adhere to the dual philosophy which the North Atlantic Alliance adopted a decade and a half ago with the Harmel plan: on the one hand security before the Soviet threat and on the other hand cooperation with the Soviet Union and "detente." The desire for detente is the mutually resolved policy of the Alliance--it includes the desire for agreed-upon armaments limitation. I therefore also want to adhere to the principle of the Helsinki final accords, the further realization of which is currently being negotiated in Madrid: "security and cooperation in Europe."

Since Helsinki, there have been two changes of presidents in the United States and one change at the top in the Soviet Union; new leaders with new attitudes have stepped onto the international stage. For us Europeans and for us Germans this cannot be a reason to interpret our interests differently today than we did yesterday. The change of chancellors in Bonn also cannot be a reason for renouncing the idea that we Germans should "follow the negotiations critically and make suggestions." On the contrary, everyone must be able to count on German continuity.

12344

CSO: 3620/375

POLL MEASURES ATTITUDE ON DUAL-TRACK DECISION, NATO SUPPORT

Oslo AFTENPOSTEN in Norwegian 18 Jun 83 p 8

[Article: "Right's View on Dual-Track Decision Supported"]

[Text] Thirty-four percent of the people polled agree most with the Conservative Party on the dual-track decision, whereas 29 percent say that the Labor Party's position is closest to what they believe, according to an Uken poll conducted by Norwegian Marketing Data. But a full 37 percent of the approximately 1,400 persons interviewed were in doubt about what their opinion was on the matter.

The opinion poll was conducted in April, and the results are almost exactly identical to the results of a comparable poll from February of this year.

In the April poll, 57 percent replied that NATO membership was "very important" in order to preserve peace, whereas 19 percent replied "somewhat important" and 6 percent "not very important."

The April poll also studied the effect that the position of the various parties on the dual-track decision had on voters' party affiliation. Eighteen percent replied that the attitude toward the dual-track decision was "very important" in their choice of party, whereas 23 percent replied "rather important" and 59 percent replied that the issue was "not very important" in their party choice.

9584

CSO: 3639/131

NEW STORTING CHRISTIAN LEADER EXPLAINS OPPOSITION TO INF

Oslo AFTENPOSTEN in Norwegian 16 Jun 83 p 3

[Article: "Apparent No to Missile Voting in the Storting"]

[Text] The Christian Democratic Party's new parliamentary leader, Harald Synnes, declared yesterday in the Storting that he will not vote for a missile bill which will be voted on today and that he will no longer present bills together with Stein Ornhoi (Socialist Left Party), Hans Hammond Rossbach (Liberal Party) and Ragnhild Q. Haarstad (Center Party), as he has done formerly.

In his main speech in the government statement discussions, he explained that it was unnecessary for him to vote on a bill like this one, since the Storting already knows where he stands on the matter. The bill proposed by the three above MPs, which has been understood clearly as a protest bill, says that the question of the deployment of NATO missiles should be brought before the Storting again before Norway gives the "green light" to such deployment.

Synnes was strongly criticized, both by Einar Forde (Labor) and Stein Ornhoi (Socialist Left Party), because he refused to be counted any longer with those voting for the bill, although he clearly agrees with the bill's contents. Synnes answered that he could not accept being used as a pawn in the opposition's game on this issue.

It also created quite a stir when Lars Velsand of the Center Party, who also used to be one of the "dissenters" in the missile issue, took opposition to Conservative leader Jo Benkow's speech.

Benkow replied by pointing to the fact that the missile statement from the Center Party's national congress this spring does not present any problems for the government. Benkow indicated also that Velsand lists to one side in the Center Party--which he "presumes to represent."

Lars Velsand reacted very strongly to this, and pointed to the fact that he was elected as a representative to the Storting by the Center Party. Benkow answered that he was fully aware of that, and for that reason it was a surprise that a representative from the Center Party, of all people, should take exception to his speech.

Center Party leader Johan Buttedahl admitted in a later discussion that he had not exactly been enthusiastic about the exchange between Benkow and Velsand but that he thought it was Benkow who would have to live with it. "It should not be such a hard and fast rule that only members of the opposition can take exception to speeches by government party representatives," he said.

Jo Benkow also said that he hoped that the Labor Party would soon join again in the national unity which is necessary if we are to avoid dissension in Western security policy. He pointed out that for the past 2 years the nonsocialist parties had had to stand alone in dispersing doubts about the stability of Norwegian security policy. Guttorm Hansen (Labor) reacted very strongly to these remarks, and he said that he found statements of this kind a challenge to the Labor Party's role as the strongest opposition party.

PHOTO CAPTION

1. Harald Synnes (Christian Democratic Party) does not want to become a pawn in the opposition's game, according to his speech in the Storting yesterday.

9548

CSO: 3639/131

CHRISTIAN LEADER'S NO VOTE ALMOST COST A DEFEAT ON INF

Oslo AFTENPOSTEN in Norwegian 17 Jun 83 p 3

[Article: "Prime Minister Willoch On the Opinion Debate: Main Thing is Fight Against Inflation"]

[Excerpts] On the last day of government statement discussions in the Storting, the new coalition government was strongly attacked by the opposition parties, and reactions were somewhat dramatic to a Socialist Left Party bill suggesting that the Storting should debate the question of deployment of NATO missiles before it happens. Prime Minister Willoch made it clear that the government considers this matter very important for the nation's security and foreign policy.

The Socialist Left Party's bill was defeated by a vote of 60 to 59, with only 1 vote making the difference, which has become commonplace in similar situations in the past few years.

Meanwhile a dramatic situation arose around a substitute who has been called in because Odd With (Christian Democratic Party) has been in Iceland all week attending Nordic Council meetings. His substitute, from the Nordland districts, Karl Klevstad, voted with the dissenters from the Christian Democratic Party and the Center Party. Despite the fact that the Christian Democratic Party's new parliamentary leader, Harald Synnes, changed his previous voting intention and asked his fellow representatives to do the same, it was Synnes alone who deviated from the previously established voting pattern among the dissenters in the current governing parties. If Synnes had voted in favor of the Socialist Left Party's bill, there would have been a scant majority in opposition to the government in the Storting.

9584

CSO: 3639/131

BARRIONUEVO PUSHES SUPPORT FOR 'REFORMED TERRORIST' APPROACH

Madrid DIARIO 16 in Spanish 11 Jun 83 p 8

[Article by correspondent Ignacio Bruna]

[Text] Bonn--Minister of the Interior Jose Barrionuevo is in favor of legislation which would find a way for terrorists to alleviate their offense by giving information to the police in advance. In that case, they would receive a much lighter sentence.

"If we can achieve this," he declared, "we could see the antiterrorist struggle that we are carrying on in Spain reach the level of effectiveness that the Italians have achieved recently."

Minister Barrionuevo recently made a trip to Bonn to attend a meeting of the Trevi group, made up of ministers of the interior of the countries which belong to the European Economic Community. This is the first time that representatives from Spain and Portugal have attended.

The basic aim of this group is to seek political cooperation against terrorism, even from the countries which are not suffering from it. Spain participated in the status of an active observer, because, as the minister said, "I have always liked to take an active part in the discussions." There were three basic items on the agenda, namely: the position of the Community countries as regards airplane hijackings; a joint decision on preventing the arms traffic; and the adoption of a clear-cut position toward the phenomenon of terrorism, with an interchange of positive information.

With respect to the arms traffic, the participating countries promised to report to their country of origin those who carry out the purchase of any type of weapons.

After an introduction by Zimmermann, the German minister of the interior, in which he praised Spain warmly, they next went on to work on the items on the agenda. The group of Community countries welcomed with special satisfaction the increasing number of victories Italy is achieving in combatting terrorism.

That country together with Spain introduced a document which was unanimously approved, in which they declared that "there is no justification for political violence in democratic countries"; adding that such violence is senseless, and has no future.

The Spanish minister put special emphasis on the contacts which he had with the French representative, the commissioner-general of police, stating that there has been very satisfactory police cooperation between the two countries for some time.

He was also very favorably impressed by the Italian minister, with whom he agreed in all the points of view he expressed. Barrionuevo believes that the experience of the Italians can give an important lesson to our country, "because they are more like us in character than the Germans are."

8131

CSO: 3548/450

MOUNTING COAL INVENTORIES FORCE MINE CLOSINGS

Hamburg DER SPIEGEL in German 20 Jun 83 p47-48

[Article: "Ruhrkohle Still Hesitating. Bonn Wants Power Companies to Participate in Ruhrkohle; More Mines are to Die"]

[Text] The directors of the Essen Ruhrkohle AG [Ruhr coal company] form a practiced team. They have coped quickly so far even with crisis situations.

Two hours sufficed on Thursday of the week before last to dispose of one of the worst annual reports and approve the laying off of 1000 coke workers. The directors even found time to sit through the usual slide-lecture by Ruhrkohle boss Karlheinz Bund on the dismal sales picture.

At the end of the meeting Mannesmann boss Egon Overbeck, acting chairman, put in a few quick, meaty, edifying words: "The times are anything but cheerful and not for men with weak nerves." But it doesn't look likely that coming board meetings will be so routine. New people will bring new problems: Bonn would like to alter the circle of owners and man the board of Ruhrkohle anew. Six of the biggest German electricity producers (EVU) are to become co-owners and help put through a drastic cutback in Essen. The Federal Republic, which keeps the coal company alive with a round two billion marks yearly, wants to throttle the production of 63 million tons of hard coal in 1982 by one fifth.

The Ruhrkohle AG, which produces about 72% of German hard coal, is supposed to close some of its 24 mines, according to these plans, secret until now. Money for new mines is no longer to be appropriated. Mass layoffs have already been decided on. Economics minister Otto Count Lambsdorff does not expect to be able to realize his plan with the present circle of associates of the united company (founded 15 years ago). In his way are especially the chief stockholders from the steel industry, who together possess 44% of the shares of Ruhrkohle.

The smelter managers have too many worries of their own and scarcely any interest in Ruhrkohle any longer. To be sure, they have to buy their coke coal in Essen until 1988. But because steel capacity is currently under-utilized, less and less coal is being fired. Thus meanwhile the electricity producers, who fire 34% of their boilers with coal, have become the most important coal buyers. It would suit them fine to have Ruhrkohle rigorously

rationalized: if costs sink, their buying prices will also be more favorable. According to the so-called century contract, the electric works have to take almost two thirds of Ruhrkohle's annual production until 1990--and pay premium prices for it. At 250 marks per ton, hard coal from the seams between Emscher and Lippe is the most expensive in the world. The Poles for example are offering their coal at present for 140 marks, while the South Africans sell a ton for 130 marks.

The mine managers can get rid of even a part of their production quantities only thanks to a strict import limit and to the demand contracts with the German steel factories. The rest is dumped on heaps which have never stood so high, at 16 million tons along the Ruhr.

Branches of industry like chemistry, which are not compelled to take the expensive Ruhr coal, prefer to burn and feed oil and gas. Both are presently a better buy than they have been for years. So chemical companies like Bayer demurred at once when Bonn offered them participation in Ruhrkohle.

For sale are presently 40% of the coal shares. Eleven per cent of these belong to the nationalized steel company Stahlgitter, while Ruhrkohle itself holds barely 10%. The other shares for which buyers are now sought are in the possession of the steel firms Hoesch, Krupp, and Klöckner. Bonn wants to make payment of already allocated steel subsidies depend on whether the steel firms are prepared to divest themselves of their coal stock.

But the proposed buyers, the electricity firms, are not enthusiastic either. The directorates of Badenwerk and Bayernwerk, Energie-Versorgung Schwaben, VEW in Dortmund, and HEW in Hamburg are still hesitating. Europe's largest electricity supplier, the Rheinisch-Westfälisches Elektrizitätswerk in Essen (RWE), has already turned involvement in Ruhrkohle down flat.

The RWE managers produce their electricity predominantly in atomic plants and in their economical brown coal generators in the Aachen area. Therefore they are the least interested in stabilizing the hard coal companies.

On the other hand, accepting at once was a man who already has interests in about 650 companies: Rudolf von Bennigsen-Foerder, boss of the Dusseldorf energy and chemical company Veba. Veba, with 27% already the largest stockholder in Ruhrkohle, plans to take over the offered 13% more.

Veba boss Bennigsen-Foerder hopes to be able to realize his own plans in concert with the federal government. The politics of privilege for coal, so Bennigsen demanded weeks ago, must come to an end.

Bonn politicians are fed up with subsidies for coal, and Bennigsen -- whose Veba does business chiefly with atomic power, imported coal, and oil--would like to take the burdensome competition down a peg. The common effort to this end can start soon: on the 27th of June Bennigsen is to be elected new chairman of the board of Ruhrkohle AG.

NEW OIL MINISTER KRISTIANSSEN ON EXPLORATION POLICIES

Oslo AFTENPOSTEN in Norwegian 15 Jun 83 p 36

[Article by Flemming Dahl: "Oil and Energy Minister Kristiansen: Wants To Increase Seismic Activities"]

[Excerpt] "It seems important to step up the seismic measuring operations on the continental shelf," said Kare Kristiansen when he gave his first speech as minister of oil and energy in Oslo yesterday.

He referred to a so-called seismic shooting being an important part in the charting work in order to discover where it can be advantageous to conduct gas and oil explorations.

In oil circles, the statements were viewed as a response to the criticism some oil companies have recently directed against the authorities regarding alleged shortcomings of the seismic data base on parts of the continental shelf.

Kristiansen said that the seismic shooting had to a great extent taken place at sites which had been scheduled for exploration in the near future and said that it would be necessary to increase the explorations with a more long-term charting of resources in mind.

At sites which are not open for explorations, the seismic shooting is conducted under the direction of the Oil Directorate, but Kristiansen considers it important that the oil companies gain access to the data the Oil Directorate gathers at an early stage.

"This would distribute and increase information about our continental shelf which can bring a varied interplay of geological and geophysical interpretations at an early stage," says Kristiansen.

The oil and energy minister referred to the fact that the Oil Directorate has the capacity to interpret 15,000 seismic km annually and from now on this capacity will be used to the utmost.

He stated that the Oil Directorate, along with the ministry, will establish a 5-year plan for seismic measuring at sites in the north of the continental shelf which have not yet been opened for explorations.

With reference to the fact that an exploration well in the continental shelf today will easily amount to 100 million kroner, whether it results in a find increased seismic shooting would be a sensible economic investment, said Kristiansen.

He said that long-awaited announcement of the opening of new blocks both north and south on the continental shelf will take place this Friday, and following assignments will take place early next year. He also said that a new concession round will probably be announced in the spring of 1984.

According to Kristiansen, the ministry is evaluating as a fairly short-term objective the opening of the site between Haltenbanken and Traenabanken for explorations while new sites in the Barents Sea remain a longer-term objective. "It is too early to have an opinion about a time plan for this," he emphasized.

Kristiansen's speech marked the opening of a 4-day international conference for geophysicists and an exposition of geophysical equipment in Oslo's Concert House.

9583

CSO: 3639/130

OFFICIALS INCREASINGLY CONCERNED OVER USSR BARENTS DRILLING

Helsinki HELSINGIN SANOMAT in Finnish 13 Jun 83 p 19

[Article by Vesa Santavuori]

[Text] Tromsø—Perhaps the hottest Norwegian foreign policy issue concerns what is going on right now in the Barents Sea. The Soviet Union is conducting test drillings there in an area under dispute between Norway and its big eastern neighbor.

At the Foreign Affairs Ministry in Oslo they are wondering why the drilling vessel, "Valentin Shashin," appeared in that northern maritime area this spring. In the north the armed forces and coast guard are plotting the "Valentin Shashin's" location down to the millimeter.

"It is exactly on the midline, perhaps even a hair west of the line," northern area coast guardsmen say. They added that they did not want to indicate down to the meter the course of the midline at this time.

Thus the line running from the eastern border of Norway to the northeast is a several-hundred-km-long, 1.5-nautical-mile-wide "border" that winds its way northward between Spitsbergen on the one side and Novaya Zemlya and Franz Josef Land on the other.

The midline is the border line the Norwegians want to draw between the Soviet Union and Norway in the Barents Sea. The Soviet Union would like to use the so-called sector line which runs considerably farther west of that.

Between the two lines there is a gray zone covering about 155,000 square kilometers of sea and sea bottom that is under dispute. The "Valentin Shashin" is at present drilling at the eastern corner of the gray zone, involving precisely the area demanded by Norway. There is probably an abundance of oil or natural gas in the area.

There are very few people in Norway who believe that the goals of the drilling operations are purely economic, that is, exploring for oil or gas. In Oslo they believe that the appearance of the "Valentin Shashin" on the midline is a political message.

Carefully considered, the problem is, however, just what the content of the message is.

According to the most pessimistic theory, the appearance of the "Valentin Shashin" is a way of saying that the Soviet Union is fed up with the undecided state of affairs in the Barents Sea which has lasted for years now.

The superpower wants to confront little Norway with the reality of a fait accompli. It is looking for oil in an area which it regards as its own. The next step will probably be for the "Valentin Shashin" to move farther westward, into the gray zone.

In Oslo they fear that it would be in keeping with Moscow's brusque manner to say that the gray zone — or at least part of it — belongs to the Soviet Union.

Some also see in this clear signs that the Soviet Union wants to at this time revise the whole Spitsbergen agreement as well, in addition to resolving the Barents Sea question.

Spitsbergen was ceded to Norway after World War I on the basis of the settlement arrived at in connection with the Versailles Peace Treaty. The Norwegian flag has been flying over the islands since August 1925.

Bases May Not Be Established

According to the treaty, however, military bases may not be established on Spitsbergen. Furthermore, every one of the 40-odd nations that signed the agreement on Spitsbergen has the right to engage in "economic activities" on the islands.

However, only the Norwegians and the Soviets "make use of" present-day Spitsbergen. In theory they engage in mining operations and oil exploration, but in practice the purpose of their presence there is to engage in political strategy.

The military importance of Spitsbergen has grown with the strengthening of the Soviet Navy and the military potential of the Kola Peninsula has swelled to the most significant of proportions on a worldwide basis.

In Oslo they now believe — that is, according to the pessimist theory — that Moscow wants a joint Soviet-Norwegian administration for Spitsbergen.

Supporters of the pessimist theory figure that the cession of Bjorn Oya, situated south of Spitsbergen, to the Soviet Union will also be included in Moscow's demands.

This assumption is in itself interesting since the notion of a joint administration for Spitsbergen is not new. Two-thirds of the islands' approximately 3,000 inhabitants are Soviets. They have been "present" on Spitsbergen for about 50 years.

There were negotiations on a joint administration between Norway and the Soviet Union in 1947-1948. When the exchange of ideas was revealed, the plan was sharply rejected in Norway and the negotiations brought down the then in power Gerhardsen government.

Another supposition regarding the appearance of the "Valentin Shashin" in the Barents Sea is mainly an economic one. That the Soviet Union wants to find oil in the area. The more territorial waters that nation "grabs" for itself, the richer it will become.

In other words, the Soviet Union wants to gain possession of as much of the gray zone as possible.

11,466
CSO: 3617/142

DRILLING IN SVALBARD WATERS NEAR SOVIETS ; COMPANY PLANS TESTS

Oslo AFTENPOSTEN in Norwegian 14 Jun 83 p 23

[Article: "NPN Has New Svalbard Plans"]

[Text] The total accounted deficit in Norsk Polarnavigasjon [NPN] is up to 37.8 million kroner so that registered ownership capital is now reduced to over 3.2 million kroner. The company's annual report shows that the outcome before the annual settlement of accounts in 1982 was a deficit of 334,000 kroner.

Through Geopol, Inc., the company owns a 50 percent share in two concession sites in Alaska which both are included in the so-called Duck Island Unit where there have been oil finds earlier. A planned drilling in Geopol's concession site in the winter of 1982-83 had to be postponed but now negotiations are under way with partners in the Duck Island Unit with the aim of conducting a drilling during 1983.

In the annual report, NPN maintains that the increased oil activities at the Arctic site with many promising finds in Alaska, at the Tromsø-slick and at the Soviet site has brought greater interest within the oil business for the company's tests at Svalbard. This gradually makes it easier for NPN to obtain partners and the necessary financing for implementation of projects at Svalbard. The final planning of a seismic research project is now under way in the company's test sites between Hornsund and Storfjorden.

It comes forth in the annual report that the Soviet company Arktikugol will start drilling for oil in Vassdalen at the northern side of Van Mijenfjorden only 1 1/2 km from NPN's closets test site. In 1982 no drilling by any company was conducted at Svalbard.

9583

CSO: 3639/130

NEW TECHNIQUE WOULD ALLOW DRILLING AS DEEP AS 300 METERS

Oslo AFTENPOSTEN in Norwegian 16 Jun 83 p 64

[Article by Alf G. Andersen: "Research Project for 23 Million Kroner: Oil Production Possible at a Depth of 300 Meters"]

[Text] Depths of up to 300 meters will no longer be a hindrance to oil and gas production in the North Sea. An extensive Norwegian reserach project has shown that the technical barriers have been overcome and only an adjustment of existing technology remains in order to start production in, for example, the Troll field. This adjustment will be implemented during the time it takes to put the field into production--which would happen in 1989-90 at the earliest.

It is the Norwegian Veritas which through its Underwater Department in Bergen has conducted the project in cooperation with various international oil companies and Norsk Hydro. Twenty-three million kroner have been used for the project, which is a part of the technology agreement which was agreed on in connection with the fourth concession round.

The results were presented at a press conference in Bergen on Wednesday.

The theme for the project has been installation and maintenance of underwater production systems in deep water--300 meters--without the use of divers. Just the fact that it was possible without divers represents great progress, as today it is difficult to let divers operate at a depth of more than 180-200 meters. A series of experiments has been undertaken in letting divers operate at a greater depth but the time is far off until it becomes routine to let divers work at 300 meters, for example.

Veritas has therefore concentrated on a combination of remote-controlled operations and manned and unmanned underwater vehicles.

Norsk Hydro has shown earlier, during research in the Skanviksfjorden, for example, that it is possible to perform welding at great depth. And now Veritas says that they have the technology that is necessary to install and maintain production systems in deep waters.

But the adjustment of the equipment remains to be done. Oystein Hauan, chief engineer for Veritas, says that this means that the basic research is now a phase that has been completed and from now on it will be necessary to work on the design of the equipment that will be used and that this must take place parallel to the operations planning.

This means that considerations must be given to the underwater projects when, for example, surface vehicles and production equipment will be obtained. It is important that the production equipment is designed so that it will be easy to replace. The vehicles must also be adjusted for new projects, among others, the repair of larger units on board. It must be possible to bring defective parts to the surface for repair or replacement.

[Question] Why is the limit set at 300 meters when the plan is not to use divers at all?

[Answer] It has been ascertained that the technology for production of oil and gas is in principle just as applicable at a depth of 1,000 meters as at 300 meters. It is therefore assumed that when the 300-meter depth is overcome, the basic technology of production at a much greater depth will now also be obtained. But in this instance we have undertaken to conduct our experiments in the Onarheimfjorden where the depth is exactly 300 meters. We installed a valve tree there this year and we succeeded by using remote control on the tie-in gathering lines—and both tests represent with regard to this type of work.

Chief engineer Hauan tells AFTENPOSTEN that they also gained valuable experience with manned and remote-controlled underwater vehicles. Manned vehicles are best suited in instances when it is necessary to perform unforeseeable and difficult work projects while the remote controlled vehicles are better suited for planned maintenance and repair tasks. Opposed to the manned vehicles, the remote controlled vehicles are less affected by the depth. But when it comes to the further development and effectiveness of underwater work, it requires that the work tools of the underwater vehicles be improved.

In other words, 23 million kroner have been used for the project of which 3 million kroner were used to pay for foreign services. To a high degree, Norwegian industry has been included in the project and 13 million kroner were paid to subcontractors in Norway. This has to a large extent contributed to the transfer of technology and development of offshore services to local industries.

9583

CSO: 3639/130

OIL CONSUMPTION DECLINE GREATEST AMONG INDUSTRIAL NATIONS

Stockholm DAGENS NYHETER in Swedish 18 Jun 83 p 8

[Article by Anders Nordstrom: "Sweden Saves Most Oil in the World"]

[Text] Oil consumption in Sweden is declining more rapidly than in other industrial nations. Between 1979 and 1983 the consumption will have dropped by as much as 24 percent.

This is what Carl Tham, the one-man panel and also the new director of the Energy Agency, noted when he presented his analysis of the international oil market on Friday.

The oil consumption is declining in practically all industrial nations. For the OECD as a whole the drop was five percent between 1979 and 1981.

The panel predicted that in the future the consumption of oil will increase very slowly, even if the economies recover and oil prices continue to drop.

"Large projects are being undertaken in order to reduce the oil consumption which cannot be halted," Carl Tham says.

Nuclear power is undergoing a strong expansion in Western Europe, and the automobile industry in the United States has spent about 50 billion in order to develop more energy-efficient cars.

Price Dropped

The panel also stressed the difference between the price of oil on the world market and the impact on individual countries.

"During 1982 the price of oil on the world market dropped, as we all know, but since the dollar gained so much in value the oil imports nevertheless became more expensive for Sweden," Carl Tham emphasizes:

"If the dollar continues to gain, the oil imports will become more expensive for us this year as well, despite declining prices."

Carl Tham says that Sweden should continue on the course it has entered upon and replace oil with other energy.

The reason is that although the price of oil will remain constant for the next few years, much indicates that at the end of the 1980's and the beginning of the 1990's it will begin to rise again.

11949

CSO: 3650/221

DUNYA ASSESSES ENERGY DEFICIT, FINANCING

Istanbul DUNYA in Turkish 2 Jun 83 p 1

[Text] Whether or not to schedule power cuts for this summer is presently the subject of technical studies being conducted under TEK (Turkish Electric Power Enterprise). These studies will be the determining factor in the final decision that the government will make.

Yet, as there have been increasing reports of prospective power cuts, power consumption has likewise risen. According to Kamil Toktas, Director General of TEK, nationwide consumption of electricity usually averages 81 million kwh per day, but lately this figure has jumped to 84 million.

Turkey's energy problem really is not all that simple. The biggest part of the problem stems from the fact that energy consumption in Turkey depends heavily upon imported oil.

While oil had only a 20 percent share in Turkish energy consumption in 1960, it claimed a 60 percent share in 1980. By the same token, the bill for oil imports rose sharply, with payments for oil exceeding exports in 1980. This is known to have played a major role in putting the Turkish economy on the verge of bankruptcy in 1977.

To reduce the impact oil imports were having upon energy production and consumption, Turkey enacted a program in the 1970's aimed at improving energy production based on local sources. However, the World Bank, which was hoping that the investment projects called for in the program could meet the need for outside sources of energy, found these projects to be beyond the capacity of Turkey's public sector. According to the World Bank, too few resources had to be allocated to too many projects and this hampered the completion of investment projects.

The energy program that was to be reactivated in conjunction

with the Fifth Plan apparently must have resembled what the World Bank had in mind earlier. The basic problem with this approach, however, was that local energy production based on water or lignite has a specific limit, which would mean that these resources would be inadequate for meeting the needs of the growing economy and that energy imports would be considerably greater than was planned.

The latest approach is a complete departure from past efforts in terms of both the development and the productive use of energy resources. According to this approach, past efforts had mistaken priorities; future efforts must concentrate upon using other known sources for energy production. For example, the quantity of oil drawn from proven reserves is to be increased by making use of secondary techniques. Also, there is to be greater utilization of geothermal energy and forestry sources of energy. This plan has the avid support of the World Bank. It seems inevitable that foreign capital contribute to the increased financial and technical needs that will be arising in this connection.

Finally, to ensure the productive use of energy, the newest approach calls for price-fixing. It would be wrong to look upon current increases in the price of electricity and coal as examples of price-fixing. Yet, we must not forget how important it is that price-fixing be avoided. No new approach is going to be able to resolve Turkey's energy problem alone, but the easiest to implement would be price-fixing.

12279

CSO: 3554/312

INCREASED ELECTRICITY COSTS IMPACT ON INDUSTRIALIST OUTLAY

Istanbul DUNYA in Turkish 2 Jun 83 pp 1,7

[Text] The increase made the day before yesterday in the price of electricity will reportedly be triggering a number of cost increases in the industrial sector. The highest of these increases (7-8 percent) will be seen in the petrochemical sector, and the lowest (4 percent) in the food industry. The fact that the increase is retroactive to November 1982 will affect costs by 1-3 percent.

According to information provided by Tulga Erten, a Board member of the Istanbul Chamber of Commerce, "The increase in the cost of electricity has brought with it significant cost increases particularly in the petrochemical sector, the paper and textile sector and industries that rely on mineral processing. The increase has also caused prices in the metals industry to jump about 8 percent, and it will be triggering a 6-7 percent hike in the cost of producing durable consumer goods."

When asked by the DUNYA correspondent to be more specific as to how the increase in the price of electricity is going to affect industrial outlay in particular, Erten replied:

"As you know, electricity is one of the basic elements of input in the industrial sector. In the manufacturing industry, the share energy costs have in overall costs varies from sector to sector, of course. In the petrochemical industry, energy represents about 15 percent of overall costs. In the metals industry, the figure stands in the area of 12 percent. Finally, energy costs have no less than a 10 percent share in overall costs in the cement industry and in industries that rely on mineral processing. Given this situation, we should not consider it strange, for example, to see a 7-8 percent increase in the price of petrochemical products follow an increase in energy costs. The 7-8 percent increase may also reflect the cost differential resulting from the fact that the increase in energy costs is retroactive."

In pointing out that electricity input is relatively smaller in food industries, Ertan remarked, "Based on our rough estimates, the increase in electricity costs may raise costs in the industrial sector by a maximum of 7-8 percent and a minimum of 4 percent."

To DUNYA's question "How do you feel about the fact that the increase is retroactive?" Erten responded:

"The increase has been made retroactive to November 1982 because of the way TEK (Turkish Electric Power Enterprise) operates. TEK has yet to become computerized in the full sense of the word, and it is therefore behind in its billing. This is why it was necessary to make the increase retroactive. The industrial sector, in turn, endeavors to bear the burden of additional financing brought on by the increase by keeping prices a few points high when they are being adjusted. We have seen recourse to similar tactics after collective bargaining agreements have made retroactive increases."

12279

CSO: 3554/312

BRIEFS

CREUSOT-LOIRE FINANCIAL MEASURES--Creusot-Loire might soon sell some of the 70 percent of Framatome capital it has in order to meet its serious financial problems. The AEC, EDF, and Alsthom-Atlantique seem to be interested in buying up part of this 70 percent. Talks are in progress. However, at the present time it does not appear that Creusot-Loire will permit its interest in Framatome to fall below 50 percent. Twenty percent of the Framatome capital represents between 400 and 600 MF. Within the Creusot-Loire group, which has most more than 600 MF in 1982 and which should lose as much if not more in 1983, Framatome is the only company making sizeable profits (around 500 MF last year). And profits at least as sizeable are anticipated for this and following years. Remember that the AEC currently owns 30 percent of Framatome and, furthermore, that Alsthom-Atlantique specializes in the classic area of nuclear power plants. It goes without saying that, if Alsthom-Atlantique takes over Framatome, one will see the emergence of a very powerful, integral French group in the nuclear field. [Text] [Paris ELECTRONIQUE ACTUALITES in French 3 Jun 83 p 3] 12253

DATAR SEEKS JAPANESE INVESTMENT--DATAR [Delegation for Territorial Development and Regional Action] wishes to attract Japanese industrial investments in certain French regions, in particular, the North, East, West, and Southwest. Toward this end, it will soon strengthen its "contacts" in Japan. Mr Attali, the delegate for territorial development, has just made a trip to Japan where he met with officials of the Japanese electronic groups. DATAR deems these contacts to be "very positive." Of the five Japanese firms which have made or announced investments in France, four belong to the electronic sector (these are Sony, Pioneer, Akai, and Clarion). [Text] [Paris ELECTRONIQUE ACTUALITES in French 3 Jun 83 p 3] 12253

CSO: 3519/533

PRIME MINISTER HOLDS NEWS CONFERENCE, COMMENTS ON ECONOMY

Reykjavik MORGUNBLADID in Icelandic 9 Jun 83 p 25

[Article: "I Will Not Go to the Althing via the Backdoor"]

[Text] "To be sure, these figures are all but incomparable with others and people will have to go by feel in terms of their impact on the management of employment. I am in no doubt about it and consider it one of the legacies of the last government that employment has not held continuously to the kind of gains that have been shown to have taken place." So said Prime Minister Steingrímur Hermannsson as he announced at a press conference yesterday the new calculations of the Economic Institute on the state of the national economy. He previously noted the view of the institute that without the government's economic measures inflation would have been 134 percent by next December. Calculated on an annual basis and based on changes of the present 3-month period, it would have reached 168 percent in the May-August period of the year.

Hermannsson said that, with all respect to the Economic Institute, the Bureau of Statistics and many other statistical organizations, it had been his experience that their figures translated into fact only very rarely. The real figures, more often than not, turn out to be higher than foreseen. He then discussed the results of the Economic Institute figures in terms of the influence of government economic measures and noted that instead of the 139 percent inflation rate for the period September-December, the government economic measures should result in lowering it to 27 percent during that period.

Hermannsson said that he recognized the fact that according to the calculations purchasing power of wages will be much lower in the second half of the year than it is now. He said: "The results here indicated suggest that per capita purchasing power will be on the average, for the whole year, 14 percent less than the previous year, or around 3 percent less with things unchanged. Not taken into consideration is the influence that uncontrolled price evolution could have on employment and thereby on income. During the second half of the year it appears that purchasing power will be around 18 percent less than at the same time the previous year and 4 percent less than with no changes. No consideration has been given either to employment influence or to large alterations in purchasing power that remain unchanged for the second half of the year, he said.

Asked whether a more detailed report on the state of the treasury at the time of the government change might be forthcoming and whether a real change had been made in comparison with the retiring government, the prime minister answered that with government approval efforts were being made to gain a more detailed appraisal of the condition of the treasury. He was also asked whether any measures could be expected that were not directed so completely at wage earners, a reduction of state expenditures for example. Hermannsson said that around 70 percent of state expenditures went for social needs such as education, welfare and other services and that he might answer the question in another way: "Have we expected too much of ourselves, have we taken on too great obligations?"

Something was said about cooperation with the leaders of the labor movement, and the prime minister said, among other things, that he had repeatedly carried out talks with the leaders of the labor movement and with employers and that he will continue to do so. He said also in connection with a question on how such cooperation could best be structured: "I have talked with those parties on how best such cooperation would be structured. I will not go to the Althing via what is called the backdoor. I intend that the government and the Althing as a whole will determine what is to be done. I do not wish, on the other hand, that there be only one or two mass meetings a year for show. Ways must be found to make the cooperation effective."

9857

CSO: 3626/39

NATIONAL ECONOMIC INSTITUTE REPORT: PURCHASING POWER DROPS

Reykjavik MORGUNBLADID in Icelandic 9 Jun 83 p 46

[Article: "Purchasing Power Down 3 Percent"]

[Text] The general conclusions of the calculations of the Icelandic Economic Institute on the purchasing power of wages, taking into consideration the government's economic proposals as they now exist, seem, as stated in its report, to be that the measures will result in the purchasing power of wages falling by around 3 percent more in 1983 in terms of the restraint measures than would have been the case without the measures and by around 4 percent on the average more than if government policy had remained unchanged. Individual purchasing power will be on the average 14 percent less for the entire year of 1983 than in 1982 and around 18 percent less for the second half of the year.

These facts, among others, are found in a new report of the Icelandic Economic Institute that was announced by Prime Minister Steingrimur Hermannsson at a meeting with reporters and newsmen yesterday. Also present at the meeting were Jon Sigurdsson, head of the Economic Institute, Thordur Fridjonsson, government economic advisor, and press secretary, Magnur Torfi Olafsson.

The calculations in the report are, on the one hand, given for an unchanged system, that is, without the newly enacted economic measures, and on the other, in terms of the economic measures. Price changes in terms of the cost of living index will be as follows, according to the report: on a 12-month basis inflation is calculated at 134 percent for December for an unchanged system. It should be 82 percent on account of the economic measures. In terms of changes for 3 months extrapolated for an entire year, inflation was calculated at 168 percent with an unchanged system for the present calculation period, i.e. May through August, and 139 percent, using the period September-December. Taking the economic measures into consideration, it is calculated that inflation will be brought down to 27 percent during the latter period. The prime minister said to the press conference that efforts will be made to lower the rate still more in 1984. The government's policy will be mapped out with the drawing up of a budget for that year.

MORGUNBLADID received yesterday evening a statement of the Icelandic Trades Union Congress on the National Economic Institute statement. It is stated there, among other things, that it should be clear that the estimate of the Economic Institute has confirmed the purchasing power calculations of the Trade Unions Congress Economic Section, "although some things could mediate the influence of the government's restraint measures, most likely changes in overtime pay and work weeks during the present year," as the statement worded it.

9857

CSO: 3626/39

NEW FINANCE MINISTER GUDMUNDSSON CITES DISMAL OUTLOOK

Reykjavik MORGUNBLADID in Icelandic 8 Jun 83 p 7

[Commentary by Staksteinar: "State Expenditures and Taxation Ought To Be Reduced"]

[Text] Albert Gudmundsson said yesterday in a speech to the People's Alliance Party that he had every intention to reduce state activities, especially in terms of what goes on in competition with individuals and companies, and to reduce taxes. It was his special intention, he said, to reduce income taxes and return them to the people in such a way so as to encourage the growth of disposable income. He also felt that the special tax on business and office space should be eliminated.

Condition of Treasury Very Difficult

Finance Minister Albert Gudmundsson said the following to the People's Alliance Party:

"The condition of the treasury is very difficult now and there is little likelihood that we will be able to reduce tax collections this year and it will be quite a while before we will be able to. It was my intention, when I began drawing up the budget, that it will promote a situation whereby more will remain in the hands of individuals and companies than is the case now."

The finance minister is right that the condition of the treasury suddenly worsened in the second half of 1982 and during what has passed so far of 1983. Due to the actions of the former government, all finance funds are exhausted, state enterprises are up to their necks in debt, the treasury is in a worse position than in a long while and the debt position vis-a-vis foreign countries is frightening. One reason for the income decline of the treasury is a fall in public demand and tolls, as customs and sales taxes on imports (a taxing of the trade deficit and of foreign debt accumulation) were the major source of financing for the previous finance minister during much of his term of office.

The policy emphasized by Albert Gudmundsson in his speech, i.e., increased moderation in state activities and tax collections, sounds good. When national production and national income dwindle, the government and likewise the people must take their sails in in terms of expenditures. In this matter the government has made a good beginning. It must make demands of itself and likewise of the people.

It Takes Little to Make the Easily Satisfied Happy

"The only publication that has more circulation in Iceland than MORGUNBLADID is the telephone book..."

It was THJODVILJINN that was consoling itself with these words in an editorial yesterday. Thereby THJODVILJINN thinks, to be sure, that it has gotten in a stroke at the enemy. It takes little to make the easily satisfied happy. And MORGUNBLADID is not only a telephone book in the pages of THJODVILJINN. The paper does not let the opportunity pass to kill two birds with one stone. THJODVILJINN states:

"The editors of the 1983 telephone book are farther along the road of revolutionary struggle than the majority of the Radio Council since they have recognized the existence of nuclear weapons." No more nor less. The telephone book seems to have come a long way toward classicism to its sister paper, which is the mirror of the interests of socialism, of the labor movement and of freedom.

We shall not ignore the value of the telephone book for public wisdom and the communication of information, something to the good. However, the reactions of THJODVILJINN as they were published in its pages yesterday tickle the funny bone, in spite of their seriousness. The politics of THJODVILJINN have certainly been founded on "little things" these days, but they have not hitherto sunk so low as to bring the telephone book into the Marxist rationalism of the paper. Some people think that the paper is in its agony.

If the telephone book editorial of THJODVILJINN is part of its campaign for a "nuclear-free Scandinavia" it should then be recalled that Scandinavia is all in all nuclear-free, except when Russian submarines sneak into the Swedish defense zone or into Norwegian territorial waters. How can we demand removal of nuclear weapons from where they are positioned, that is, on the doorstep of the Scandinavian countries? The most powerful armories in the world are on the Kola Peninsula, very near Scandinavia, and on the Baltic. THJODVILJINN bureaucrats scarcely dare to depict in their political mirror what they know is going on in the Eastern European countries. Or is perhaps not the question of the hour for THJODVILJINN "mirror, mirror, what are you reflecting...?"

9857

CSO: 3626/39

FINANCE CONSIDERING SELLING STATE-OWNED ENTERPRISES

Reykjavik MORGUNBLADID in Icelandic 10 Jun 83 p 32

[Article: "State-Owned Enterprises Advertised for Sale"]

[Text] "I have asked the Ministry of Finance for a list of all enterprises and institutions belonging to the state and of all state financial shares. I intend to make a presentation to the government later on what, preferably everything, may be advertised for sale." So said Albert Gudmundsson, minister of finance, among other things at a Watchmen meeting yesterday evening. Gudmundsson's statement received a great deal of support from those at the public meeting. Also speaking at the meeting was Fridrik Sophusson, vice chairman of the Independence Party. He also spoke about government policy.

Gudmundsson said that the Independence Party ministers had decided to follow Independence Party policy and make changes wherever they could find support. In connection with his statement given above in the beginning of this article, Gudmundsson said that he was determined to free the state from various kinds of activities that it was now involved in and that would be better off in the hands of individuals and their associations. He also said: "It has been the case in particular that many decisions have been made for the government on various supplementary appropriations that I am in total disagreement with."

Gudmundsson also discussed the policy of the government concerning his own ministry. He said, among other things, that the tax system will be reviewed. Value-added taxes will be established and that the unfair taxes on business and office space, as he worded it, will be eliminated. Concerning this, he said: "I have emphasized to ministry officials that they should perform their tasks in a short while so that the government can discuss the draft that will be presented, i.e., the official draft. I want the budget to come into being now, or at least achieve a degree of reality now, at the turn of the year, so that it can take force as soon after the beginning of the year as possible."

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CSO: 3626/39

BRIEFS

UNEMPLOYMENT FIGURES INCREASE--A total of 18,275 registered days of unemployment were recorded for all of Iceland during May. That was equivalent to 840 persons registered unemployed for the entire month. Registered days of unemployment decreased by 3,200 compared with April. However, there were, on the other hand, only 7,500 registered days of unemployment in May of last year so that the employment situation is now much weaker. During the years 1975-1982 there were on the average 6,600 registered days of unemployment in May, a little more than a third of registered days of unemployment now. Days of unemployment decreased everywhere in Iceland in May compared with the previous month except in the Reykjanes where they increased slightly due to the burning of the Keflavik Freezing Plant. The great difference in unemployment this year compared with the previous year is creating concern in terms of the summer employment of students. There are 384 students registered unemployed in Reykjavik at the end of May out of a total of 650 registered in Reykjavik. [Text] [Reykjavik MORGUNBLADID in Icelandic 9 Jun 83 p 2] 9857

CSO: 3626/39

LONG-RANGE GOALS OF GOVERNING PARTIES ANALYZED

Copenhagen BERLINGSKE AFTEN in Danish 20 May-26 May 83 p 13

[Article by Victor Anderson: "The Four-leaf Clover Opens Up: What They Are Thinking About"]

[Text] Is our four-leaf-clover government just a bunch of bookkeepers, who see it as their task to save Denmark from momentary economic problems? Or are its ministers thinking more long-range thoughts about what kind of Denmark they would make if they had enough power to accommodate their political fantasies and ideological stimuli? WEEKENDAVISEN tries to take a look behind the scenes of this government to see whether Poul Schluter and his troops are capable of seeing past the near future, beyond tomorrow.

The day that the campaign "Plant a Tree" was launched, Prime Minister Poul Schluter came out in a pale blue jogging suit on his bicycle to the national park in Lyngby. He also hefted a few shovelfuls in the service of the good cause.

But there are lots of good causes to show up at when one is a prime minister. With a Finnish president showing up for a red-carpet welcome at Kastrup, with a couple of deserving Conservative town-hall functionaries to congratulate, with other little well-prepared speeches to give here and there, the days and weeks go by surprisingly fast.

Vigge Kampmann was the Danish prime minister who was probably most addicted to gallivanting around, poking his nose here and there--and he paid the price for it. So did the whole country. What with the general confusion caused by a multitude of small events, there wasn't enough time left for the country's leading personality to think more long-range thoughts. There was no "time to ponder," as Sweden's Tage Erlander is famous for having put it.

Schluter on the "Ballad Program"

Is Schluter, who after all does have a skittish ex-prime minister to keep in check, on the brink of somehow confusing short-term and superfluous tasks with necessary ones? As a boy he delivered products like Houlberg sausages and vegetable oil on his delivery bike in Haderslev, where his father had a small grocery store. Now that he is in a new environment, is he going to maintain his preference for distributing short-term goods to the people, when the goods which should be saved for later--to provide a motivation for group portraits to hand up in the Folketing's hall of fame--are going to have to take care of themselves?

It's not quite that bad, as we shall see. But it is true enough, in any case in our economic policy, that the Conservative prime minister in the long run is only managing what the Liberals have already created. Our economic policy was sprouted and continues to grow in a Liberal orchard, and the prime minister cannot breeze in on the scene in fine racing style until one of the trees is ready for transplanting.

Schluter himself has contributed to his reputation as a man who acts more than he thinks. He has even made one of Soren Kierkegaard's aphorisms his own: the observation that we live life forwards but understand it backwards (in retrospect). To be able to throw out a quotation like that does sound pretty nifty, but at the same time it isn't quite nifty enough in Schluter's case, since, after all, he isn't, in reality, a person who takes what life has to offer without reflecting on it. He makes plans and thinks thoughts. All during those many years when the Sunday morning "Ballad Program" on the radio entertained its public with Schluter's slogan "Yes, yes, yes, now I'm coming," people joked more and more about the idea of Schluter as prime minister. He laughed too, but nonetheless he was making some quite well-thought-out plans about what he would do if he ever did get the opportunity to be one.

The Dublin Agreement

During Easter of 1982, the so-called Europa High School opened in Dublin, and present at that occasion were rector Tom Hoyem, from Hong, with his wife; college teacher Bertel Haarder and his wife; and high school teacher Lisbeth Schluter and her escort. When the three of them not 1 year later as members of the same cabinet, Schluter called out to Hoyem: "This was what we agreed on in Dublin." Maybe it wasn't the absolute truth, but it wasn't an absolute lie either. The future father of his country had without doubt been musing for some time about certain possibilities regarding personnel and policies.

Nor was it an altogether unprepared, newly minted prime minister who, after spending the morning of September 10 with the queen, had three-quarters of an hour left over for a press conference or who, with the aid of a broken-down typewriter he had at Christiansberg, could draft (as he says himself) at one stroke a "Governmental Inaugural Declaration."

A speech of this kind would not have been totally necessary (though the strong international speculation which was not in favor of the Danish krone would have required some official statement soon). But the inspiration came over Schluter. And the statement was well formulated. It was there that the phrase "it is going to be made easier to be a Dane" was used for the first time; and the expressions "simplification," "debureaucratization" and "circular reorganization" were also used. Expressions, in other words, which have acquired significance such as has seldom been granted to quotations from hastily written political manifestos.

Poul Schluter himself is pretty pleased with the declaration. When someone comes into his splendidly decorated prime minister's office (refurnished and paid for by the state during Anker Jorgensen's term in office) to talk with him and brings up the subject, he just has to call out to his secretary, "Bring out the declaration."

However fresh and inspired Poul Schluter was on that occasion, when his thoughts came flowing and fully formed right out of the typewriter, it still cannot be ignored that his account--as was also true of his second state of the union address--had to occupy itself chiefly with the severe economic problems which the new government had inherited from the old one. It has probably never been more amply demonstrated in Danish politics that a new government has to acknowledge its inheritances from and its debts to its predecessors.

Meanwhile, the four-leaf-clover government seems already to have such a good grasp on economic matters that some observers are waiting to see whether it will perform just as strongly and innovatively in other political fields as well. The possibility becomes apparent, since the four-leaf clover is so good at straightening out touchy issues and thinking deep and far-sighted thoughts about Denmark that we might be anticipating something along the lines of a new social order.

The clowns in the crowd will get an even bigger kick out of the fanfare "Yes, yes, yes, now I'm coming" if it turns out that Schluter and his team have come to stay. They they would have a real opportunity to reform Danish society in accordance with their own ideology.

It is noteworthy that the members of the government themselves are careful about publicizing such drastic prospects this early on. But others are not as reticent--and even the ministers themselves are not as why when they are questioned in depth.

By way of introduction, it was a person on the political periphery, the outgoing director of the Employer's Union, Arne Lund, who formulated most succinctly the non-socialists' hopes for future Denmark. In the Liberal magazine LIBERAL he wrote that when the bookkeeping problems have been cleared away, we could expect the government to take care of other matters also, matters which, though they were harder to get hold of, were very important. Their aims were, according to Arne Lund, "to make the Danes--the vast majority of us who are bright and hardworking--more self-sufficient, to give all of use more opportunities to choose from in

schooling and education, to further a positive attitude toward the utilization of one's own earnings, to cherish the concept of 'small is beautiful'; to make people understand that they now need to take more responsibility for their own fate and the fate of their loved ones." This is, he says, just as important as diverting the courses of monetary streams relative to the federal treasury and foreign countries.

An idealistic demand for the four-leaf-clover government was also issued by Per Stig Moller, program director for Danish Radio, whose spiritual brotherhood with Tom Hoyem of the Center Democrats and Bertel Haarder of the Liberals is well known. He expressed it in DAGBLADET BORSEN's New Year supplement, which in the old days was reserved for overviews of the skins and hides market, sugar prices etc. but which since the arrival of Henning Fonsmark as coeditor has now become a stock report for the notation of future, more ideological commodities.

Per Stig Moller bases his argument on the fact that the political system has enabled the new labor-saving technologies to succeed. Because of this, the individual can now be re-endowed with basic democratic rights. Everyone will again have time to think and the power to participate. "Therein lies," he wrote, "the actual precondition for the great social and cultural changes being brought about without an increase in tension. Democratic fellowship will be able to set new goals, and government by the people will become a reality when it is no longer controlled by a small group of believers and the many employees of the federal government and political organizations who currently have enough confidence and freedom to go into politics."

Politics As a Puzzle Picture

It is, by the way, not completely accurate to say that the ministers are not also angling for future possibilities.

Minister of Culture Mimi Stilling Jacobsen went on an assembly-hall tour with Kristen Poulsgaard, in which she presented some interesting conclusions concerning how she is going to try to reform Danish cultural policies.

Greenland Minister Tom Hoymen has also perceived that the government's food for thought should include other things besides discount speculation and krone exchange rates. The employees at the ministry think that it is amusing that he cannot see a letter from Greenland without sitting down to answer it. But there is also an article by him making the rounds about a topic as significant as the expression "liberal," in which he describes the overadministrated Danish society as "an engine which is drowning from too much choke." He rejoices at the fact that the very Folketing which was in session before the four-leaf-clover government came along was able to come up with totally new perspectives for Denmark. It is, he says, like the puzzle pictures in the olden days. Suddenly you can see something new in the picture, even though the picture has not changed.

The Christian People's Party's only minister in the four-leaf-clover government, Minister of the Environment Christian Christensen, is, considering his position, the one from whom we would especially expect impassioned pronouncements about the future. And so turns out to be the case. At the same time, the minister finds himself in the ambiguous situation in which, just before he came into office, a pompous work by an official of his ministry (Planning Administration) had just come out with a plan on how Denmark can (and should, to some degree) look in the year 2000. Presumably the work was intended to honor a minister who would like to stand up and be counted in visionary causes--one should think.

Meanwhile some of the officials have clearly kept their positions far to the left of even the former government. So the minister had to be content to be glad that his ministry had produced a useful spur to debate, so that we can get going on planning for the future which he considers so necessary. If you want to know his personal viewpoint, you have to ask him yourself on the various issues. And he has his answers ready.

The Principle of Love

It is altogether true of the four-leaf-clover government that if it were subjected to a sudden surprise resources inspection to determine whether it was capable of looking beyond the mundane, it would pass with flying colors. Spokesman for the four-leaf clover can manage in the course of a few seconds to pull themselves out of the mire of the economic crisis and soar into ideological creativity.

In this vein Prime Minister Poul Schluter can pause in the midst of activity and say to reporters from WEEKENDAVISEN:

"There is a coverlet of low self-esteem which has been resting on top of the Danish people for some years now. A person cannot live without self-esteem. He becomes frustrated. It is not surprising that our youth today are seeking after freedom. The twenty-year olds can see what it will be like when they are 40 and bent under a series of collective burdens. The more people we train to take care of themselves--because society is structured accordint to common sense--the more people will be given the chance to feel contented and happy because they were in a position to use their talents and gifts. This does not mean that we will put an end to the welfare state. We will save it. It will commit suicide if we do not intervene. There needs to be a safety net. We don't all go through life equally fortunate. The old saying from the Lutheran confirmation ceremony, that each person is the architect of his own happiness, is only a half-truth at best. Some are born handicapped; others become so. That is why we need a societal safety net. We just don't all need to land in it, as we were so prone to do under the Social Democrats."

Finance Minister Henning Christophersen says:

"Since this government came into office, almost all we have done has been to send out very definitive ideological signals. It is only on the surface that ours is a purely economic policy. In its contents and in its principles it is a change in the developmental trends of Danish society. There is no other way to look at it. We would like to give more responsibility to people, aim for more local selfgovernment and make room for more individual initiative. Behind our income and currency policies, we also have a desire for more openness on Denmark's part toward foreign countries. This is completely necessary in these times, when not only we Danes but all Western Europeans can see self-centeredness cropping up again, just like in the thirties--both as regards foreign affairs and economic matters. It is a very important signal that we are sending out, that we cannot let things develop as they did then."

Minister of the Environment Christian Christensen's corresponding manifesto is as follows:

"Human values will be given much higher priority. Deviation from Christian norms, including responsibility for our neighbors, is frightfully dangerous and forms the foundation for a society of egoists. We have seen egoistic tendencies developing in politics also, even as the basis of party ideologies. Instead of having everyone fighting against everyone else, we should remember the principle of love toward our fellow man. How do you think that we can keep a society like our Danish society going at all, without using basic Christian principles as a foundation?"

Culture Minister Mimi Stilling Jacobsen wants to break down the barrier which has risen up between the arts and the people during the period when the Social Democrats were in charge of our cultural policy. "Remember that it was under the Social Democrats," she says, "that art became something so fancy and obscure that only a handful of people could follow what was going on. Why can't people be just allowed to experience it? I hate pedantry. There is a tradition of every new minister of culture pronouncing his own elevated definition of what art is. I refuse to do that. I will have nothing to do with it. I want to work toward a situation where everyone can enjoy art working from his own assumptions without feeling demeaned by cultural snobs."

Schluter and Zahle

When the ministers meet together, their long-range and ideological principles and themes are discussed from time to time, but not when Henning Christophersen is functioning prime minister. He never manages to work out the agenda so that there is time left over for more far-reaching topics.

Poul Schluter can do it, though. He can both listen and cut on through, when the time is ripe, so that matters on the agenda flow by in a peaceful but swift stream. Insightful commentators liken him partially to Hilmar

Baunsgaard, who had something like the same capability, and partially to another Radical--Council President Zahle, who has much in common with Schluter in stature, temperament, folksiness and academic background. Both of them also came from solid bourgeois homes.

Schluter has also realized, these commentators say, that he isn't an ideological giant or skyscraper but a singularly talented human being. This realization means that he is "big enough" to listen to others and get ideas from them, if they have something useful to contribute--unlike, for example, Mitterrand, the president of France, who is about to fall over backwards from admiring himself and thus never takes ideas from others to develop on his own.

The realization that one is not divine has also occurred, by the way, to many of the four-leaf clover's ministers, and it also characterizes their relationship with their staffs. Whereas the staff at Slotsholmen used to find it impossible to get through to (for instance) Ivar Norgaard or Anker Jorgensen with advice or action, because they knew better themselves, the ministers of the new government are open-minded and receptive. As one staff member says: "We are happy to go to work every day. We feel that we are useful again."

The Sporting Element

The employees' enthusiasm has found a particular channel of release. It is the debureaucratization and regulation cleaning-up program, in the course of which (for example) the Social Ministry's 225 publications were cut down to 50. This task seems to have attracted and amused the staff members, and it is said that they are having something like a sporting competition in such matters.

In the old days they used to say that when two staff telephones were busy, they were busy playing "Battleship" over the phone with each other. These days they aren't sinking battleships but fleets of publications, ones published by every ministry.

But what does the four-leaf-clover government plan to do more concretely, in order to supplement the enzymatic action of our economic policy on other aspects of human existence--as Henning Christophersen has just mentioned?

There will certainly be more to tell of soon, if the non-socialist ministers --if the time ever comes for their political testaments to be read--will be able to look back to a Denmark which has fundamentally different characteristics from the future Denmark which the Social Democrats were aiming at. Some scenes from a future Denmark as the non-socialists would like to see it will be presented in a concluding article next week.

This first article in this series was printed in WEEKENDAVISEN on 13 May.

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CSO: 3613/127

SOCIALIST PEOPLE'S CONGRESS BLAMES SDP FOR LACK OF UNITY

Copenhagen BERLINGSKE TIDENDE in Danish 22 May 83 p 2

[Article by Michael Ehrenreich]

[Text] Socialist People's Party Warns Social Democrats

"The opposition policy of the Social Democratic Party is insecure and wobbly," group chairman Ebba Strange of the Socialist People's Party said at the Socialist People's Party's national congress yesterday in Aarhus.

"One minute the Social Democrats are with us, ready to straighten out the messes the government has made of the labor market and social legislation. And then the next minute they are with the government, making agreements in areas where the government can't get help from the Progress Party," said Ebba Strange, who calls for the biggest opposition party to send clear signals to the labor movement to work together in formulating an alternative to the policies of the current non-socialist government.

"But this would be a bit difficult, for the simple reason that there are many similarities between the economic policies of this government and the policies favored by Social Democratic governments working together with various non-socialist parties all through the seventies," Ebba Strange said.

She pointed out that the Socialist People's Party has called for discussion concerning an alternative for "salaried workers' conditions."

"But there are influential factions in the Social Democratic Party who don't want to talk about a new labor majority. The basis of their strategy is a reduced Socialist People's Party, after which they would again invite coalition with one or more non-socialist parties. Some circles in the Social Democratic Party even would like to see coalition with the biggest non-socialist party, the Conservatives.

"We here at this national congress would like to advise the Social Democrats strongly against continuing this courtship. If the courtship is successful, that means that Danish salaried workers will be caught up in class cooperation for some years now, which will prohibit any real reforms," said Ebba Strange.

An Election Would Be a Good Idea

The Socialist People's Party would like to see a parliamentary election as soon as possible, with the goal of getting the non-socialist government out of power. And the Socialist People's Party will do everything to make that election a reality as soon as it is possible.

"The policy of the current Conservative government is strongly reminiscent of the policies of the conservative regimes in England, the U.S., Norway, Belgium and West Germany. It is the bourgeois population, as a class, who are now making the desperate effort to counteract the crisis by using capitalist methods, by taking away the allowances made to the population at large throughout the fifties and sixties," said Gert Petersen, Socialist People's Party chairman, yesterday at the party's national congress in Aarhus.

He denied that "things are much improved and that everything looks rosy."

"Remember, when people tell you that, they are forgetting about social needs, about unemployment. It pays to be well-to-do these days, because you don't have such a hard time dealing with the economic crisis. That's how they manage in the not-so-discreet world of the bourgeoisie," said Gert Petersen to the delegates at the national congress.

The chairman of the Socialist People's Party made appeals to all labor parties, "not least, the Social Democrats," the union movement and its members to work towards a capable workers' majority, with the goal of combatting the bourgeois government's "reactionary policies."

Gert Petersen said that the Socialist People's Party's MPs in the Folketing have gotten involved in the administration of NATO's double resolution, even though the party opposes the missile resolution.

"We have had the experience in the Folketing that the Social Democratic Party--which shares the responsibility for the missile resolution--has listened to our criticism and moved closer to our position. We welcome the new orientation of the Social Democratic Party as a very significant reinforcement in our battle against missile deployment. We will do our best to hold the Social Democrats to this point of view," said Gert Petersen, referring to next week's foreign policy and security discussions in the Folketing.

RIVAL GROUPS DEMANDING REGISTRATION AS 'ENVIRONMENT PARTY'

Copenhagen INFORMATION In Danish 31 May 83 p 1

[Article by Torgny Moller: "'Green' Fight About Right to the Name of the Danish Environment Party: Both Rival Groups Asking Ministry of Interior for 'Environment Party' Name"]

[Text] Two rival environmental policy groups are petitioning the Ministry of the Interior at this moment for the right to call themselves Denmark's environmental party. At the same time they are keeping close watch on each other's activities, and both of them have surprises up their sleeves. The first group--or more precisely, its chairman--has already, according to the Ministry of the Interior, petitioned for and been granted registration for, just to be safe, the name of "The Alternative Party." The second group, according to the first group, has evaded an appeal from the Radical Liberal Party's main administrative committee by using a false address.

The Danish Environmental Policy Association, the Green Society and the Association of Danish Environmental Groups and Peace Movements decided some time ago to unite together to establish a "Green" party in Denmark. But the preparatory discussions also included members of the Mainstream Rebellion, who meanwhile had decided against actively forming a political party.

The Danish Environmental Policy Association has now petitioned the Ministry of the Interior for the use of the name "Danish Environment Party."

At the same time, however, a member of the Radical Liberal Party's main administrative committee, Henning Sjoberg, petitioned for the name "Environment Party." This led to an appeal to him from the Radical Liberal Party's main administrative committee to withdraw his application, which he did.

Addresses in Common

Meanwhile, the Danish Environmental Policy Association found out that instead of a withdrawn application, a second petition for the same party name came in to the ministry, this time from one Lars Olsen, a resident of Ranum.

Physician Jorgen Frost, a resident of Fredrikshavn and chairman of the Danish Environmental Policy Association, told INFORMATION that this new petition evidently involves an acquaintance of Henning Sjoberg, since it has been determined that a woman with the same address as Sjoberg also shares an address with Lars Olsen.

Vilhelm Brockmeyer, consultant at the Ministry of the Interior, confirmed to INFORMATION that two petitions are currently pending: one for the name "Environment Party," from Lars Olsen; and one for "Danish Environment Party," from the secretary of the Danish Environmental Policy Association, Jens Brinck.

"Somebody Else Put His Bid In"

"Originally, Henning Sjoberg got his application for the name 'Environment Party' approved. Then he withdrew it. But in the meantime, somebody else has put his bid in. And the two names are so close that we can't approve both of them," said Vilhelm Brockmeyer, who also explains that the two requests came in to the ministry at precisely the same time.

The determining factor for who will get the name will possibly be whoever uses it first or who, for example, gets it registered in the Registry of Associations. In any case, the ministry has contacted the Registry of Associations regarding the matter, according to Vilhelm Brockmeyer, who adds that it was not the chairman of the Danish Environmental Policy Association, Jorgen Frost, who petitioned for the name but the association's secretary. Frost, on the other hand, has petitioned for and had approved the party name "The Alternative Party."

"No Comment"

Lars Olsen, of Ranum, who petitioned for the name "Environment Party," told INFORMATION that he will not publicly comment for 1 month on his request. He said the same concerning whether he and Sjoberg had acquaintances in common.

The Danish Environmental Policy Association has approved the future party's platform at its general meeting. Jorgen Frost anticipates that the party will be ready to line up for the Folketing election this fall. But at the moment the party is waiting for the approval of the Ministry of the Interior of its name, which Frost says was used first by his organization. After the approval, the party will begin collecting signatures.

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CSO: 3613/127

VON WEIZSAECKER'S FUTURE PROSPECTS VIEWED

Hamburg DIE ZEIT in German 17 June 83 p 2

/Article by Joachim Nawrocki: "To Heaven or to Bonn"/

/Text/ Richard von Weizsaecker, the urbane governing mayor of Berlin, is apt to get irritated when challenged by either incompetence or unjustified criticism. However, his angry response to the lack of expertise is removed from the public gaze and occurs only behind the closed doors of the Senat chamber--when, for instance, senators fail to obey or Senat directors are not familiar with occurrences in their departments. Last week, though, Richard von Weizsaecker grew unusually irate in full sight of deputies, visitors and reporters, when SPD Land chairman Peter Ulrich accused him of false optimism and a policy of fine words but inaction. An irritated Weizsaecker retorted that Ulrich had "once again fantasized his favorite fairytale about my inactivity."

The outburst happened when the governing mayor who assumed office exactly 2 years ago, submitted his half-time report to the assembly and--from his standpoint--presented an excellent and successful record, albeit with the postscript that the settlement of Berlin's problems was not to be considered only by the status prevailing at half-time. "We do not claim to have solved all problems. But we have demonstrated that we are tackling them, and that they can be settled."

This is surely not entirely true for all concerns of the enclave city. A lot of water will still have to flow down the Spree--and much money from Bonn to Berlin--until the loss of jobs in industry and commerce is finally brought to a stop. It is true, though, that Richard von Weizsaecker's CDU Senat, expanded only last March by the inclusion of two liberal senators so as to become a CDU-FDP coalition government, got going much that had been neglected by the Senat when led by SPD mayors Stobbe and Vogel.

Weizsaecker is obviously annoyed not only by the superficial reproaches of the opposition but more so by the purpose behind them. The SPD eagerly and imaginatively works on a portrait of the governing mayor that represents him as a lovable but weak politician who lacks forcefulness, a man who would "find his proper niche only" if he were to be elected federal president. The Social Democrats aim by their praise to remove from Berlin a man against whom they would stand no chance at all in the 1985 elections. At the same time they are quite aware that Weizsaecker's departure to the federal president's office would be "almost too good to be true"--in the words of the Berlin SPD newspaper BERLINER STIMME.

It is decidedly doubtful whether this would really be good for Berlin. However he may be judged from other aspects, Richard von Weizsaecker is definitely a politician with the status of a gentleman and supraregional attraction. That is helpful for Berlin. If he were to be tempted to Bonn, the next election campaign in Berlin would be rather forlorn--and even the SPD comrades admit that.

The SPD exhausted its successor generation with Stobbe. It will probably offer Harry Ristock, a long-standing leftist, as its top candidate. Ristock is by no means uncontroversial even in his own party and, as one of his champions wrote, does not fit the image of the ideal politician who ought to be tough, persevering, popular and credible all at the same time. No persuasive alternatives to Ristock are available in Berlin, and SPD Land chairman Peter Ulrich has searched long and in vain for a new mayoral candidate in the Federal Republic.

Admittedly the CDU is not much better off. None of the better known senators can really be considered upon closer scrutiny: Finance Senator Kunz expects his future to lie in Bonn. Interior Senator Lummer's image is that of a right-wing conservative, and he would therefore be unable to win an election. Federal Senator Scholz is unaffiliated. Almost all other Senat members either lack appeal or are too young or, from the standpoint of the rank-and-file, too "left." For CDU fraction chairman Eberhard Diepgen, 41, Richard von Weizsaecker's departure in mid-1984 would come too early. The example of Dietrich Stobbe who was young and failed, acts as a deterrent. It is possible, therefore, that Senator Hanna-Renate Laurien, responsible for education, youth and sports, will be the first woman since the courageous Louise Schroeder to rise to the top of a Berlin city government.

Of course such speculations are just that--speculations. Richard von Weizsaecker considers the discussion of a candidature for the federal presidency definitely premature. At the traditional asparagus dinner of the Berlin Association of Newspapermen he reminded his listeners that asparagus, too, must be patiently cultivated for 3 years "to properly take its place." He intimates that the topic will be addressed when the right time has come. And when it has come, there will be a lot of pushing and pulling. By comparison with the other hopefuls--Rainer Barzel and Alfred Dregger--, many think Richard von Weizsaecker to be the more persuasive candidate, and he very likely thinks so himself. At the same time the Berlin CDU does not conceal its view that it would prefer to keep its governing mayor for a considerable time to come.

This has many reasons. Richard von Weizsaecker certainly talks well, but he can do more than that. He is not so ostentatiously busy as his predecessor Hans-Jochen Vogel, and he is not the product of an internal party chess game as was Vogel's predecessor Dietrich Stobbe. While he keeps somewhat aloof from the rank-and-file, nobody should forget that he has applied his imprint to Berlin politics in the past 2 years.

Just as the CDU acknowledged that it took life too easy and was unduly nonchalant when on the opposition benches some years ago, the SPD has begun to notice that it, too, may take it too easy in opposition--and not to its benefit. It has not yet managed to show that the SPD would be better able than the present Senat to cope with unemployment, the structural weakness of the economy, housing shortages, squatters or the issue of the foreign workers.

Richard von Weizsaecker himself admits that "serious and unsolved problems wait for proof of our action." At the same time he claims that the Senat headed by him has chosen the right approach to many of them. He does not merely radiate "presidential glitter" as the opposition complains, he very definitely uses his authority to direct the Senat, intervenes in discussions and decisionmaking processes. However, according to a senator, "he does not concern himself with the details but leaves himself free to deal with the large outlines." Outside Berlin he again has certainly done more than just represent the city and give well-turned speeches. It is surely due to him that some major West German companies have consented to a greater commitment to Berlin. In Turkey he managed to make people understand that unlimited mobility consequent upon Turkey's association with the European Community would be untenable for Berlin.

All the same, since the beginning of this year the impression has tended to arise that too little is moving in Berlin, that decisions are postponed and subordinated agencies lack direction from above. This is probably due to the FDP's inclusion in the Senat. Until this was finalized in mid-March, many issues were left untouched for reasons of coalition negotiations, and some senators who expected to be replaced by a FDP politician, were no longer properly motivated. On the whole, though, everything is proceeding in its Christian-Liberal fashion.

When CDU politicians are asked what they consider the outstanding achievement of the 2-year old Senat, they unanimously say that Berlin has at last left behind the negative headlines. The city's power of attraction has grown again. Moreover, conditions have radically changed in many sectors: In the economy by the Federal Chancellor's Berlin Conference, the amendment of the Berlin Promotion Law and a structural program; in the budget by fiscal conservatism and the rise in investments that provide jobs; on the labor market by a noticeable increase in training places; on the housing market by repair programs and fewer buildings standing empty; in social policy by family subsidies, the strengthening of subsidies and help with self-help; in administration, finally, by greater tightness, discipline and the first beginnings of an urgently needed reform.

Nevertheless, some negatives remain: In the matter of housing construction and administrative reforms the Senat is in arrears even in terms of its own goals. The most censorious headlines appeared after the riots on the occasion of Reagan's visit and following the still unexplained death of squatter Rattay. Still, life in Berlin has calmed down again, to a great extent because Richard von Weizsaecker knows when to hold his hand instead of ramming his head against a brick wall.

As he notes, all his predecessors either went to heaven or to Bonn. And he then confesses: "I am still considering which to choose--at least the sequence."

11698
CSO: 3620/392

RURAL PARTY SEEN POSSIBLY HOLDING KEY TO 'KOIVISTO REPUBLIC'

Helsinki HUVUDSTADSBLADET in Swedish 7 May 83 p 12

[Commentary by Larserik Haggman: "Does Vennamo Hold Keys to Koivisto Republic? Something Has Happened in Politics"]

[Text] The new government is not depending on the Rural Party for its majority. The Rural Party does not hold the most important posts in Sorsa's fourth government either. Despite this, Pekka Vennamo's party is holding the key to the entire coalition. In a way he is a certain kind of requirement for its existence. If he wants to, he can create a really serious political crisis.

The background to the spring's surprising government settlement can be found in at least four very central factors:

The illness of President Urho Kekkonen, the premature presidential elections, and Mauno Koivisto's debut as head of state, as well as the impacts of all these events created the possible ground for the four-party solution.

The Social Democratic Party's power-political decisions made at the party conference in Pori opened new ways of thinking within the party.

The Center Party's hard armored demands for a widening of the government toward the right--unanimously accepted at the party conference in Rovaniemi, at that point, primarily thinking of the National Coalition--decisively contributed to the solution. Like the power shift within the party in Turku two years earlier.

Finally, the factor number four is the Communist Party's strongly reduced influence due to the serious crisis within the party.

Consequences of Kekkonen Rules

During President Kekkonen's time certain unwritten rules, created by him and his staff over the decades, were valid. The first distinctive feature was a strong presidential power which also held a tight rein over the domestic policy.

This could be noticed for almost two decades in broad majority governments without any parliamentarily possible alternatives. According to most observers, this has been very hard mostly on the coalition's flanks: the Center and the Communists.

The Communists' eternal conflict between demands and possibilities to materialize them have slowly but surely drifted the party away and indirectly also made it possible for the SDP to change its mind without any bigger risks to the left flank.

Throughout the entire Kekkonen period, the Center Party enjoyed the advantage of a presidential contribution first in influence, then also in representation. However, this often happened even when it was painful for the party's popularity and possibility to create its own profiled policy. Besides that, the collective power of the center has been declining since 1966.

For a long time the Social Democrats could concentrate on taking care of their own business, with the Center Party as a buffer against the right and the Communists tied up with the parliamentary responsibility on the left. However, the price was a relative parliamentary underrepresentation especially in the 1970's.

Social Democrats' Aversion

As the Kekkonen period ended, so did the hard hand, which every now and then had held together the coalition even by force, disappear. The pressure within the three big coalition parties got a freer outflow. The problems became more visible.

Within the SDP there had been for a long time a clear aversion to two phenomena. The Communists' double-dealing with existing privileges for the minority and occasionally repeated privileges for the majority was a pain in the SDP's neck. Furthermore, the Social Democrats did not like the Center Party's overrepresentation at all.

The overrepresentation started after the difficult government negotiations in 1970. The leftist majority had been changed into a non-socialist majority. The Center Party had lost the parliamentary elections. The only possibility to continue with the broad coalition at that time was a non-socialist majority among the ministers, despite the fact that the left's governmental support in the parliament was bigger than the center's.

This solution became in the 1970's a lasting phenomenon in politics. To some extent it silenced the Center Party's rightist talk, but the annoyance among the Social Democrats increased.

Despite the overrepresentation, the problems increased also within the Center Party. More and more people considered the threat from the right imminent. Several times the party leaders had to put their own and also the president's prestige at stake in order to keep together the governments.

Within the Communist Party, joining the government had clearly a harmful effect on the possibilities of achieving greater unity. The factions became permanent--some kind of parties within the party. At the same time the dissatisfaction with the results of the parliamentary participation increased constantly.

Morning Air

Mauno Koivisto's taking office became a kind of symbol. The politicians smelled the morning air in many parties. The Center Party, which saw itself beaten, ground its teeth--the party had now freedom but it had lost power.

Sorsa's third government was still formed in the spirit of Kekkonen. Everything happened and was going to happen as if nothing had changed.

Already earlier the SDP had, however, at its party conference in Pori during Kekkonen's last year, changed its basic attitude towards the government. The conference conclusion did not mention the center-left coalitions explicitly anymore. Instead more general wordings were used and a broad base was desired.

SDP Strikes Back

After the last parliamentary elections, the word broad no longer appeared in front of the base and the capacity to function was emphasized instead. Now the party had decided to strike back seriously. The rules of the game had to be changed in connection with the first actual government formation during Koivisto's period. Otherwise everything would go on at full speed. Consequently, the SDP decided to get rid of the Communists and to reduce the Center Party's influence.

Center Party Towards the Right

As to the Center Party, the pressure from the field had grown more and more heavily over the years. The National Coalition's cooperation seemed to be a must within the party, even though the party leaders very clearly had chosen another line.

With Virolainen as the party chairman it would have been completely possible, according to many observers, to draw up a considerably looser formulation at the conference in Rovaniemi. His chances of approaching the left, if needed, were totally different from Paavo Vayrynen's.

The publicity around Vayrynen during his first year as the party chairman obviously undermined his confidence as much as his victory over Virolainen in Turku caused dissatisfaction among many party members. It led to bigger political concessions to the right-wing of the Center--especially after the conference in Luopio and the doctor argument in the party.

Now the conference in Rovaniemi decided quite unanimously that the government should be expanded towards the right. This meant then the National Coalition--without doubt.

Consequences of Vennamo's Victory

What happened during fall and winter, as well as the change in the political climate then led Vennamo to the big victory in the parliamentary elections. At the same time expected success of the National Coalition did not materialize.

The election results turned several things upside down. The SDP's careful readiness for eventual cooperation with the National Coalition could be completely forgotten. The National Coalition's failed success decreased the pressure on the Center leaders. The Communists' huge loss made their position in opposition more self-evident than expected.

Right after the elections the Social Democrats started to make ambiguous statements about the Rural Party. At first, this created astonishment, then they talked about tactics.

In the government negotiations the Social Democrats made their offers based on a power position. The planning of red or non-socialist government included clear advantages for the party.

The red would give many minister posts and great influence. The talk about a non-socialist government would reveal that the non-socialist parliamentary majority was not capable of functioning.

Center's Impossible Demands

The Center Party presented impossible demands for the party itself; completely in accordance with the decisions in Rovaniemi. A complementation of the red base with the National Coalition would have decreased the center representation in the government to a minimum. The Swedish People's Party realized that this would have hit even more drastically the small party in the center and hurried to state that the widening seems impossible in practice, even though it would be desirable.

Under the leadership of the speaker of the house Erkki Pystynen, these demands were mapped out. The National Coalition's new top name cruised, however, without running aground and avoided making any political conclusions about his work. Instead he presented a poll to the president.

Pystynen's results made it necessary to make one more investigation round under the leadership of Kalevi Sorsa. It had to be even extended due to the center's demand for clarity concerning the power relations and the former of the government.

Difficult Power Relations

During the rounds of the speaker of the house and Sorsa's first investigation, two things had become completely clear. So clear that they caused a threat to forming the government.

First of all, the Social Democrats had decided that now or never it was time to put an end to the overrepresentation of the center. Secondly, it has become completely clear that neither the Center Party nor the Swedish People's Party could be included in a red government with a Social Democratic majority.

Apparently it was in this connection that Sorsa discussed the Rural Party issue with the president. After this discussion the negotiations got speeded up.

The Center Party's and Paavo Vayrynen's immediate reaction to Sorsa's and the SDP's suggestion was negative. Instead the three parties together should say no to the Rural Party.

Apparently the SDP had counted upon that the Center Party would either respond to the Social Democrats' no to the National Coalition with no to the Rural Party. But obviously it had, already then, taken also the other possibility into consideration.

Historical Agreement

Paavo Vayrynen realized this and reacted quickly. Hardly 24 hours after his negative answer, he had made a written agreement with the Rural Party, in which it was stated that the Rural Party is a party which includes itself in the political center. The historical agreement which hardly had been possible in Kekkonen's, Virolainen's or Veikko Vennamo's time untied the entire government knot.

It gave the parties in the center a non-socialist majority in the government. It gave the Social Democrats a decreased center representation but also a particularly central individual role.

Paavo Vayrynen had had himself served on one plate far more than just the non-socialist majority. He also got a combination which could be considered to fulfill the promise of an expansion towards the right. Furthermore, suitable scenes for the retreat to the normal situation without overrepresentation in the government were created.

Swedish People's Party's Two Cards

The Swedish People's Party had the most sceptical attitude towards the whole situation and for understandable reasons. The party lost its central position as the pointer of the scale. At the same time it became obvious that the Center Party would get the post of Foreign Minister.

At that point the Swedish People's Party had two cards left. On one hand, a theoretical possibility to jump out, and that way make the majority problem topical again. On the other hand, it could make a couple of rounds around the post of Foreign Minister, in order to get sympathy if nothing else for the continued negotiations. It proved to be successful.

The Center Party and especially Paavo Vayrynen took the Foreign Minister dispute surprisingly seriously. The interlude with the message about the Finance Minister post and the exhortation to Ahti Karjalainen to retire in order to make an opening for Ahti Pekkala in the Bank of Finland show that the leader of the Center Party was all but sure about his post. This despite the SDP's assurance of neutrality.

After the Rural Party had solved the main problem, the program negotiations proceeded at full speed. They show clearly that the Rural Party leaders are aware of their position and do not need all too clear writings in the government program.

Most observers see Pekka Vennamo's politics approximately so that everything is fine if the government is doing well. Otherwise the party will jump out ahead of time before next elections.

Cat and Mouse Game

After the base and the program were settled, there remained only one mandatory cat-and-mouse game as far as the portfolios were concerned. This was done in full knowledge of the fact that no party would like to topple a government in one or the other ministerial post.

The opening of the portfolio round was tough. The SDP has on their list both Minister of Trade and Industry and Minister of Labour, which caused reactions among the non-socialists. But the Center Party's opening was, if possible, even harder. Besides the clear demand for the post of Finance Minister, the party also demanded the posts of Trade and Industry, Social Affairs, and Education.

After some blocking and clear uncertainty within the Rural Party, which was unfamiliar with negotiations, as well as after some brusque moves and interruptions in the negotiations, the ground for the portfolio issue was ready. The SDP changed its tactics, and when the compromise offer was presented and the others accepted, the Rural Party sat there with the Labour and the taxes. To the others' delight.

Two Surprises

The election of the ministers within the government parties resulted in two significant surprises. Within the Center Party, the right-wing succeeded in keeping a minister post, despite the party leaders' clear attempts to clean up. The Social Democratic nomination revealed, for the first time for a long time, certain internal tension.

In an early phase there were rumours that "vice Manu" Paavo Lipponen was of current interest for the post of Defense Minister in the government. This would have given Koivisto the possibility of getting immediate observations about the government's every day functions. Now at the final phase of the negotiations, Vayrynen preferred the post of Minister of Defense to the post of Foreign Minister with Ollila's absence and Pihlajamäki's presence as a result. As for the SDP, this excluded the possibility of Lipponen.

However, Koivisto does not need to miss a direct family contact with Sorsa's fourth government. It is guaranteed by Seppo Lindblom who knocked out Kalevi Sorsa's close aid, Eero Tuomainen in the competition for Trade and Industry.

Serious Crisis Possible

Little over a year has passed since the Kekkonen period. Now the Social Democrats have increased their influence in a striking way. Now the Center Party has joined the government with a representation which only corresponds to the party's parliamentary strength. Now Pekka Vennamo, Veikko Vennamo's son, has laid his hands on the keys to the existence of the present government.

Vennamo's keys are obvious. If he makes Sorsa's fourth government fall, then the Center Party and the Social Democrats will be standing there with their armoured decisions. A serious crisis is possible.

The Social Democrats can hardly back out from their demands for the government representation according to parliamentary strength. The Center Party and the Swedish People's Party cannot back out from their demands for a non-socialist majority in the government.

Furthermore, the Rural Party, if it makes this government fall, will hardly be considered a safe element in a non-socialist coalition. At the same time the Rural Party's influence drives the National Coalition away from the government farther than what would be advisable. This reduces also the real possibilities of the non-socialist alternative.

For the Social Democrats there is always the possibility of a minority government. The parliamentary majority is, in any case, non-socialist.

Deathly Kiss or Sobering Up

Therefore, the political circles think that much of the future development during Koivisto's period depends on the Rural Party's development. There have been rumours about a kiss of death. There have also been rumours about sobering up. Pekka Vennamo's role under the leadership of Koivisto does not depend upon how things go far away from his father's position as a jester during Kekkonen's period.

If the Communist Party can rise again, the situation will be different. Today there are, however, only few observers who believe in that possibility.

12190
CSO: 3650/191

KOUTSOGIORGAS' VERBAL EXCESSES RAISE POLITICAL OUTCRY

Involvement in Bases Negotiations

Athens EPIKAIRA in Greek No 777, 23 Jun 83 pp 16-17

[Excerpts] The general outcry over [Minister to the Prime Minister] Koutsogiorgas' brutal attack on Mr Karamanlis in Patras has caused commotion in the government. Mr Koutsogiorgas, perhaps going beyond the instructions from Kastro [prime minister's home] for a general attack on everybody, spoke about "quisling activities" and the "national underbidding" of previous governments, about "colonial agreements," etc. A first announcement by the government, according to which "an issue over a national and above-party role of the president was not raised"--no, it does not exist-- was deemed unfortunate. This was followed by a contact between Karamanlis and Papandreou and a new announcement that, even if that too did not fully cover the president, it clearly censured Mr Koutsogiorgas.

Moreover, many small and big events and facts show that the government is being moved for the time being by the so-called "Koutsogiorgas spirit," a spirit of fanaticism, intolerance and intense aggressiveness against all others. It is also evident that it is resorting to this avenue because of its irritation and discouragement over the development of both economic and national issues. The government's handling of issues has, according to general estimates, brought the economy to the "worst situation in the past 30 years," whereas the seesawing and inconsistencies in foreign policy has caused a dangerous entanglement of our national issues resulting in "our isolation on an international level" and in the mistrust of both allies and "opponents."

Unfavorable Reports

According to reliable information, reports by PASOK's local organizations have recently been discouraging. The "myth" cultivated over the years by instructors, namely that the EEC was responsible for the farmers' problems, no longer stands up since Greece not only does not separate its position from that of the community but is getting ready, with manifest self-conceit, to assume its presidency. Also, the information that negotiations over the bases have now reached their end and that the agreement we are going to sign "is worse than the one prepared by ND" has added another accent to the discontent of the "Base."

No one knows to what extent Mr Papandreou's thoughts were influenced by the belief that the "Base" cannot at this moment "swallow" the pill of the agreement on the American bases. Many maintain that it was merely an element of supporting an already formed decision of his to hold this issue in suspense either through indecisiveness or political calculation. Others contend that the opposition by political leaders whom Mr Kapsis asked to brief on the afternoon of 14 June, more specifically Mr Florakis --since Mr Averof refused to speak with Mr Kapsis-- constituted a reason for the revision of the government's decisions.

The communists are talking about a "planned postponement" that had been agreed to on a high level between Greece and the United States. Other information speaks about re-negotiations that should end soon.

In his statement, the prime minister himself related that:

- His goal is the withdrawal of the bases with an agreement but he rejects the term "uprooting." He prefers the withdrawal formula with a joint agreement.
- He did not send any ultimatum to expect an answer within a certain time frame, but the patience of the Greeks is wearing out and the Americans must understand that.
- Finally, he threatened a "unilateral action" if no agreement is reached.

Menios Against Everybody

In the meantime, however, and while Mr Papandreou's aims remain inscrutable, Mr Koutsogiorgas has literally lashed out against everybody.

First of all, "he broke up" the negotiations, according to the expression used by a government official. Evidently following instructions from the prime minister, he tried, with "written interventions," to hamper the negotiations. The American negotiators noted with astonishment on the afternoon of Wednesday, 15 June, that Mr Kapsis received messages over the course of the negotiations and that he often withdrew to make a telephone call.

At that same time, Mr Koutsogiorgas was ensconced in the Maximos Building with the "hardliners" (who, according to the prime minister's statement, are not hardliners but merely expressers of Papandreou's views, as are all the other ministers), namely Tsokhatzopoulos, Gennimatas, Laliotis and (in order of party importance) Arsenis. In another part of the same building were the "technical" advisers, namely Makhairitsas, Drosogiannis, Kouris, Zepos, etc.

Either for tactical reasons or because they hoped to get something more out of the Americans (even though that does not stand up to logic), the staff members sent a few messages to Mr Kapsis.

Bartholomew: Good-Bye

Finally, Mr Koutsogiorgas himself went to the negotiating room, sat at the table and began to announce the (new?) Greek views to the American negotiator. In 10 minutes, Mr Bartholomew, without addressing a single word to the minister to the prime minister, got up and told Mr Kapsis: "I will give you a phone call tomorrow." He then left. What came next is known. Mr Bartholomew formally bid farewell to Mr Kapsis and left for his country with the intention of absenting himself for at least 2 weeks.....

The day after the departure of the American negotiator, and while the prime minister was meeting with the 10 EEC leaders in Stuttgart, Mr Koutsogiorgas undertook the mission to enlighten the people. In Aigion and Patras, he violently attacked:

- The president of the republic, Mr Karamanlis.
- The EEC and NATO.
- ND and the KKE.

He also brutally insulted the memory of the assassinated Tzortzi Athanasiadis.

The President Uncovered

The insinuations against Mr Karamanlis included insulting references to his work as prime minister and to such descriptions as "underbidding policy," "colonial agreements," etc. Also included in the minister's criticism was the EEC the repercussions of which on our country he characterized as negative.

Monday's opposition press noted the Koutsogiorgas attacks on the president, and the government spokesman, so as to blunt any impressions --and also the certain displeasure of Mr Karamanlis who constantly receives attacks from Mr Koutsogiorgas-- made public a contradictory statement of the slightest merit:

"There was no intention on the part of Mr Koutsogiorgas to make the slightest issue with regard to the national and above-party role of the president of the republic."

This statement, according to general estimates, does not cover the president nor does it censure Mr Koutsogiorgas. To the contrary, it leaves it to be understood that there exists but "an issue over the national and above-party role of the president was not raised."

Papandreou Favor Reported

Athens I KATHIMERINI in Greek 26-27 Jun 83 pp 1-2

/Text/ Certain ministers are seeing to it that they put some political security distance between themselves and the government summit. Specifically, after the problems that cropped up last week, as well as the retractions by the prime minister, as happened with the "denunciation" and subsequent rehabilitation of the minister to the prime minister, quite a few government officials are beginning to realize that the deeper purposes of the current majority are those that are being voiced by Mr Koutsogiorgas.

Many deputies have come to the same conclusions. With the start of the work of the first summer session of parliament, these deputies have had a chance to exchange substantive views with their colleagues, ministers and others. Moreover, it is a common secret that the minister to the prime minister is the key that opens any government decision whatsoever, as it is being called in government circles.

Almost all the ministers know that in order for any of their decisions to become a government act it is not enough to have secured the approval of Kastro. What is needed is also the concordant opinion of the minister to the prime minister. There have been cases of decisions that had been approved by circles close to the prime minister but they did not move forward because they were not agreed to by Mr Koutsogiorgas who has always had the capability to dissuade Mr Papandreou.

Besides, many in the government believe that the contrast in the family environment of the prime minister and the minister to the prime minister was rather superficial and not substantial. Never has the clash between these two tendencies reached extremes. Even during the municipal elections, Mr Koutsogiorgas had not supported the government candidate in Patras. Some form of disfavor appeared but the minister to the prime minister never lost his power.

"United Summit"

On the other hand, after having fully going over to the Kastro group and the partisan family environment, the government summit appeared united in its three offshoots: the technocrats outside of parliament that are directly dependent on the prime minister's family, the partisans who at one time played some role but who have now moved forward in priority to the minister to the prime minister, as well as those personally well-disposed to Mr Papandreou, such as Messrs Koutsogiorgas, I. Skoularikis and G. Katsifaras.

This situation, however, when linked to the more general failure of the government in the economic and other fields, forces most ministers to re-evaluate their actual substance in power. Gradually, and without any prior understanding, most are seeing to it that they put some political security distance between themselves and the party summit. They have recently realized that this tactic is being accepted and embraced by many deputies.

On the occasion of the break in parliament for about 12 days, dep
been bringing in information on the stance of PASOK voters from t

Information and estimates from various parts of Greece are coming
effect that the political influence of the government has been dr

This information is also known to the ministers and indeed a few
it to Kastro. However, the answer they got was ambiguous: "We kno
we also have plans to confront it."

However, these assurances do not convince anyone. For that reason
who have contact with the people are seeing to it that they do no
themselves as politically jointly responsible for most government

Besides, there is increasing information coming to the ministers
of those who voted for PASOK, headed by many of the generation of
and Law 114, have different views as to the government policy o
the attack on the press, the extreme positions of the minister to
minister and the Kastro group and the high-handed and authoritari
which the government is exercising its authority.

For these reasons, the "rehabilitation" of Mr Koutsogiorgas by th
minister on the ministerial council has been widely commented on,
in most bitter commentaries among ministers and deputies. It is a
most of the distinguished deputies, as well as quite a few minist
criticize these tactics and the aspect the government has assumed

Of course, none of them intends to move on to other actions and r
them are abiding by the "skirmishing eliminations" by the governm
The thing none of them can foresee is where this situation can le
of them, however, agree that the critical times have not yet arri

Many put September-October as the most critical period, with a gr
in the acuteness in the subsequent months. Others add that the go
has accustomed the people to "negative" developments. A former de
"They are doing all they can to succeed in the damage." Thus, non
excludes the fact that the acuteness of the situation will grow s
though the next 2 summer months are generally thought to be polit

Finally, parliamentarians are concerned over the open acknowledge
KKE of a political clash with the government. Indeed, they mainta
the government's losing the voters of the pre-dictatorship genera
strongly provoking both conservatives and leftists it has acquire
without getting any allies.

5671

CSO: 3521/360

COMMENTARY ON PAPANDREOU'S 'AIMLESS' SOCIALIST COURSE

Athens I VRADYNI in Greek 2 Jul 83 p 3

[Commentary: "A Greek Idea (It May Find French Imitators)"]

"We have the honor of informing you that a committee has been formed to seek 5 million drachmas to build the statue of Andreas Papandreou.

"We have had great difficulty in deciding where to set the statue. We did not think it advisable to set it on George Washington Street, since the latter never told a lie, nor on Lloyd George Street, since he never told the truth, given the fact that Andreas Papandreou never was able to understand the difference.

"After long deliberation we decided to put the statue on Christopher Columbus Street, that great socialist of all times who left without knowing where he was going, arrived without knowing where he was and returned without knowing where he had been, and he did all this with someone else's money.

"Five thousand years ago Moses told the children of Israel: 'Take up your shovels, mount your asses and camels and I shall lead you to the Promised Land.'

"Five thousand years later Konstandinos Karamanlis told us: 'Put down your shovels, dismount your asses and light up a Marlboro. We have reached the Promised Land.'

"Today Andreas Papandreou is stealing the shovels, he is kicking us in the ass, is raising the price of Marlboros and is also grabbing the Promised Land. If you are among those very few citizens who have still some money left after paying your taxes, we feel sure that you will send a generous contribution to carry out our project."

Committee for the Building of Andreas
Papandreou's Statue

CSO: 3521/368

ND ADMITTED TO EUROPEAN DEMOCRATIC UNION

Athens I KATHIMERINI in Greek 25 Jun 83 pp 1, 3

[Excerpt] Yesterday, New Democracy was unanimously accepted into the European Democratic Union as a full member. The announcement was made by Mr Mock, president of the European Democratic Union and head of the majority party of Austria, during the organization's meeting in London.

Mr Ev. Averof, ND president, expressed his thanks for the unanimous approval and emphasized that ND became a member of the European Democratic Union because its ideals coincide with those of other European democratic parties. Especially today, he stressed, ND feels how useful devotion to democratic ideals is which are either being trampled upon altogether or are being undermined and threatened elsewhere.

In his reply, Mr Mock said, "We are especially happy not only because ND has become a full member of our union but because it is being represented by a personage of international renown with valuable political experience, namely Mr Averof, whose struggles for peace and democracy are known not only in his own country but throughout the world."

Also accepted as full members during the same meeting were Spain and Canada.

Subsequently the meeting discussed issues on the daily agenda.

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CSO: 3521/360

ND REORGANIZATION SEEN EFFECTIVE DESPITE WEAKNESSES

Athens TO VIMA TIS KYRIAKIS in Greek 19 Jun 83 p 9

/Article by Mikh. Dimitriou/

/Excerpts/ Recent indications are growing that in the area of the traditional Right an organizational "upward trend" is being observed --a phenomenon that does not go by unnoticed.

The self-generated problems of the political expression of the Right, following the departure of Mr Kon. Karamanlis and the electoral defeat, are continuing to remain critical --from the credibility of its political scope to its leadership controversy. The fact remains, nevertheless, that the strategy of the Right is radically different --and improved-- from last year's when the consequences of the electoral defeat were still fresh and when the PASOK government was just beginning to take its first steps.

Of course, government assessments about "methodical attempts at undermining" can reveal some general characteristics of the party but it does not appear to suffice as an explanation for the social base on which the Right in Greece is continuing to be supported.

A leading ND official comments, "Fine, say that I do agree with you, that we are exclusively the party of the oligarchy. How then can it be that without our sharing in power and without our having an ideology and a charismatic leader we are still maintaining our influence on one out of every three Greeks?"

It is clear that an analysis of the present organizational "upward trend" that is being observed in the social area by ND cannot be simply explained away but only on the basis of an understanding that this party constitutes the political expression of conservatives in our country while at the same time harboring reactionary, oligarchic and other forces.

Only if one acknowledges and understands ND influence in this mass of conservative citizens (who continue to stick by such opinions for reasons that we will not get into) can one understand the conservation of its influence in the electoral body on 18 October 1981.

General assessments show that, of course, ND has neither the power nor the credibility to profit from any kind of damage done to the PASOK government. Nevertheless, it continues to maintain its popular influence of 34 percent and to have in the meantime consolidated its bonds with the people.

Certainly one cannot speak, with Greek facts as a basis, of some analogy with the upward trend in the influence of conservative parties in West Germany, England and France. That characteristic renovating of ideas and methods of either governmental or opposition tactics does not seem to be observed in ND. Nevertheless, there are a lot of articles being written on such matters but the party leadership lacks the capability to adapt foreign renovating models to Greek political reality,

On the other hand, ND does not only lack a capable renovating leader but has noticeably departed (proof of this is the circle of the present leader) from the ideological counsel of the party founder (idea of Europe, a two-front ideological struggle, social democracy, identification of the national with the popular interest, etc.)

Renovating Forces

There certainly are certain "renovating" forces within ND --always within the framework of conservatism-- that propose methods of change in structure, activity and ideological traits. Most, however, when they are not elbowed out of the circle having the trust of the leadership (Miltiadis Evert, Andreas Andrianopoulos, Them. Sofoulis, Dion, Linavons, An. Papaligouras and Vasilis Kondogiannopoulos), remain isolated cases without possibility of intra-party dialogue (Giannis Boutos and Vasilis Manginas), and without their provoking any kind of intra-party friction have either been eliminated (Tim. Louis and Dim. Diamantidis) or are becoming active within their own forces primarily (Faidon Stratos, A. Lembesis, Loukas Kyriakopoulos, Al. Lykourezos, P. Diamantakos, etc.)

Many-Sided Crisis at the Top

The most noteworthy political fact --that is of interest to us here-- is that despite the many-sided crisis "at the top," ND continues to maintain its influence and to have belied assessments up to now that "right after the elections it would split up in 18 pieces."

Even if all the information and rumors about "welding methods" at the leadership level were true, what would be of the utmost significance would be the fact that the social base of the party would not have moved in other ideological, political and advantageous directions.

Indeed, to the contrary, in the period of time that has elapsed /since the elections/ the party bonds have been strengthened with its stable social forces, if one were to judge from certain open meetings and organizational activity in concrete figures.

In the very near future, the Information and Enlightenment Service, that comes directly under the party president and that is headed by Professor Athan. Kanellopoulos, is scheduled to publish a semi-monthly information bulletin. Moreover, the formation of another 300 local representatives who will come under the Regional Organization Unit (headed by Mr Giannis Varvitsiotis) is to be announced shortly, thus bringing the total number to 1,500 throughout Greece.

Quite a few of these local organizations are merely "offices with shingles and very few members" but the increase does not stop being noteworthy if one were to judge from the fact that on the eve of the elections ND had about 600 local organizations, many of which disbanded or had significantly shrunk after the electoral defeat. Finally, ND's branch organizations have today risen to 512. Nevertheless, the problem of a more general influence of the Right in the trade union area still remains.

Of course, as noted by a top PASOK official, this "ND course to the people" constitutes a positive qualitative characteristic in our political life because on the one hand it leads the Right to the need to recognize that it had forgotten the connection with its popular base and on the other hand because this opposition tactic will influence the activity plan of the PASOK party machinery.

At a recent meeting of the party executive committee, ND's president determined the 2-month period September-October as the period during which intra-party elections will be held throughout Greece and when the party congress will be held. There are many --even within the top levels of the party-- who believe that during this 2-month period the leadership qualities of Mr Averof will be decisively determined and indeed not from among party officials but through pressures exerted by ND's popular grassroots.

It is clear that the "course toward the people" could have positive results for ND but on the other hand it could act as a "boomerang" for certain things: it contributes to making evident its weakness to constitute a noteworthy "other solution" and to provoking intra-party frictions shortly. Nevertheless, on the other hand, all of these negative factors of ND's "organizational counterattack" should not reassure the government and PASOK with simplistic interpretations, with neglect of their own credibility and with slackness in their organizational activity.

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CSO: 3521/360

GOVERNMENT FAILURE CHARGED IN NEWS REPORTING

Athens ELEVTHEROTYPIA in Greek 20 Jun 83 p 4

/From the "Opinions" column: "Finally, a Briefing!"

[Excerpts] Yesterday's statement by Prime Minister A.G. Papandreou to political editors on the subject of the bases has justified everything that has been maintained by this column. Namely, that the government could very well had told the Greek people on what issues disagreements had arisen without that having to impose any restrictions on negotiating possibilities. And also that, to the contrary, its position would have been strengthened by having at its side a united people.

So, after yesterday's explanatory briefing of the press and of the people by the prime minister himself, something else was noted. Namely, that sometimes with fragmented information and sometimes with logical conjectures, almost all the newspapers had spotted these concrete disagreements.

However, the following inexcusable thing happened: the press, and through it the people, learned about things but without being sure that things were as they were presented. Exactly because the indispensable possibility for double-checking the information was missing. And the question is raised: why did this task too have to fall on the prime minister? And why did it take last night for everything to be said together --bases, memorandum, EEC decisions-- and why so many days since last Tuesday for the people to remain in the dark, a victim of guesses and spurious whispers?

We are going to say it once again. The government is suffering in the area of briefing public opinion.

Yesterday's report by the prime minister on the primary points of our disagreement with the United States over the issue of the bases constitutes a positive form of criticism against secrecy and agnosticism that have been prevalent up to now. However, whatever has occurred in all that time, i.e. from the time negotiations "got stuck," constitutes a not at all useful downgrading of the role of the government spokesman who appears as not "being knowledgeable," as well as the press -- especially that segment that supports Change-- that allows itself to become the not always clean plaything of "sources" that various information "leaks out."

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CSO: 3521/360

INAUGURATION OF NEW GOVERNMENT BRINGS TEMPERED OPTIMISM

No Enthusiasm Perceived

Lisbon DIARIO DE NOTICIAS in Portuguese 9 Jun 83 pp 1, 3

[Editorial by M.M.: "Art of Governing"]

[Text] The electoral "marketing" strategy used by the PS [Socialist Party] was based on the presentation of two successive images of the Socialist leader. First there was the "nighttime" Soares: pessimistic and severe. That was followed by the "daytime" Soares: optimistic and smiling. The first image corresponds to the state of the nation, but it does not jibe well with the prime minister's temperament. The second matches his style of politics, but it contrasts with the signs of national crisis.

In that balancing act between severity and good-naturedness, the election goal was achieved. The fixed smile on the second set of election posters also lasted for only a brief interval. It was turned off in the very hour of election victory. The secretary general of the PS immediately resumed his serious look. Soares warned that time was needed to negotiate with the PSD [Social Democratic Party]. He negotiated slowly. A month and a half after the election, we finally have a government.

Note that the behavior of the parties forming the coalition revealed caution, prudence, and distrust. The slowness of the process by which the government was formed is an indication not only of the natural reserve between partners who had been fighting each other unceremoniously in the recent past, but also of a broader dread of exercising power in a time of doubt and in the face of a deteriorated financial situation.

In the beginning--on 25 April 1974--there had been the fascination of governing. It was believed that governing would turn stone into gold. Times have changed, and so have convictions. Now the dominant idea is the opposite: government turns gold into stone. Where there was once voracity, there is now withdrawal. Power still entices, but it threatens to destroy the one who dares try to exercise it. It is a false power--a simulation that may be fatal to the unwary person who allows himself to be entangled in it.

One might say that the system does not guarantee the election winner the possibility of governing. The country votes in the center (in this case, it voted

with particular effect for the center-left), but power continues to be dispersed and fragmented--destined to fluctuate at the mercy of feudal interests and exogenous strategies--and its dispersion does not benefit moderate forces or the "centrist bloc" (to borrow the expression used by Antonio Sousa Franco and his disciples in other times).

There is scarcely anyone outside the boundaries of the institutional opposition who dares to make a frontal attack on the goodness of the formula which, in the final analysis, boils down to a parliamentary alliance between the two biggest parties. But that does not prevent its most determined opponents from being located within the sphere of influence of the governing majority itself. All of them are maintaining a tactical silence while waiting for the various counterbalancing forces--unions and employers' confederations, the "sharifs" from Lever, Crestume, or elsewhere, or pressure groups in the mass media--to begin their inevitable corrosive action.

Will the coalition be able to resist the combined pressure from the "restorationist Right" and the unitary Left? Will it be able to govern and overcome the group interests that will tend to corrode and fragment it not only through the internal struggles of the coalition parties but also from within the government itself?

Regardless of the merits, faults, potentialities and vulnerabilities of the PS-PSD alliance, its future will be decided not by the ponderings of analysts but by governmental practice. The government's organic structure and makeup have already aroused natural reservations and disapproval, but basically, it will be up to six strong men in the government and the parties--Mario Soares, Mota Pinto, Almeida Santos, Hernani Lopes, Jaime Gama, and Antonio Capucho--to see to it that the minimum conditions exist for preventing the "bloc" from breaking up at the first signs of opposition. What are those minimum conditions? An examination of government experiences between 1976 and 1983 is enough to enable one to list them without fear of serious error. The government must:

1. Distinguish between capacity for dialogue and the abdication of its own will.
2. Keep acts of government above the internal struggles in the parties.
3. Resist the temptation to introduce the mechanisms of partisan patronage at all levels of the state.
4. Grant priority to the existing coalition in preference to alternative and simultaneous "deals."
5. Not confuse courageous options with spectacular actions, which are generally counterproductive.
6. Convey an image making it possible to distinguish between an (inevitable) restrictive policy and actions marking the government as "the liveried footman" of the employers, speculators, and middlemen (this recommendation applies particularly to the "hawks" in the PSD).

7. Govern through affirmation and what is positive rather than by artificially re-creating poles of confrontation or institutional guerrilla warfare.

If those conditions are met, the government will last at least until the determination of strategies for the presidential election of 1985 comes along to strengthen or destroy the alliance serving as its prop.

It would be useless to camouflage reality: the new coalition is not starting out in an atmosphere of enthusiasm. "Bipolarization" continues to be the strategy most beloved by broad sectors of Portuguese society--from the CIP [Portuguese Industry Confederation] and the PSD's rightwing to the CGTP [General Federation of Portuguese Workers] and the PS' leftwing. But enlightened and active skepticism is better than naive and inert optimism. We therefore beg to be forgiven the impertinence of repeating what we wrote in this space in 1976, when Mario Soares took over as prime minister, and what we repeated in 1978, when he was dismissed from that post:

"The work is arduous and the atmosphere is not serene, and Mario Soares' qualities of firmness and decisiveness will have to prevail over his Florentine and conciliating style."

Mota Pinto Seen Loser

Lisbon DIARIO DE NOTICIAS in Portuguese 10 Jun 83 pp 17, 19

[Article by Mario Guimomar Lima]

[Text] The backdrop to the stage on which the PS and PSD leaders and the members of the Ninth Government are moving is covered with large reproductions of dollars, Eurodollars, deutschmarks, and a few yen. It is in that inherited house that the newly married couple is going to live, and let us agree that the PSD's inheritance is larger than that of the PS.

The government is complete and in office, with its portfolios distributed and its programmatic groundwork laid. The marriage between the PS and the PSD has finally been consummated following a few weeks of courtship and an official engagement lasting almost a month. The couple already has a house--inherited--so it was not necessary to go live with their parents or to buy a house, or even to rent one as so many young couples have to do. But this will not make the start of a new life together any easier. The family budget is tight, judging from the head of the household's repeated declarations of crisis. In addition, it will be difficult to forget the lover's spat and aversion that appeared practically at the moment of the ceremony and almost caused cancellation of the wedding.

In the early morning on 2 June, one half of the engaged couple did not want to get married. The family council was meeting to wind up the preparations, and he was taking back what he had said, stamping his foot, saying no, and accusing his betrothed of the worst intentions. At that point, the family put up a

roadblock and brought up all the usual family arguments: it mentioned the matter of prestige and pointed out that the ceremony had been announced, the date set, and the invitations sent out. With a sigh, the betrothed gave in, grabbed the telephone, and made peace. And at 1700 hours on 4 June, there was a quick wedding that lasted exactly 11 minutes.

If we had been watching a silent film of the 1920's, there would have appeared on the screen between one scene and the next a series of exclamations of pain, sighs, and moans of resignation. And the music, very soft, would have been mournful. If it had been an opera, the recalcitrant betrothed would have sung a sad aria to the effect that duty must prevail over love.

But it was not a silent film or an opera included in the First Lisbon Music Festival, and while it reminded one of a pulp romance, no one perceived the importance that such a "dramatic crux" would have for the unfolding of history. In the final analysis, what did Mota Pinto gain from his attitude before the PSD National Council a scant 48 hours before the protocol of agreement with the PS was signed? If he was trying to test his leadership within the party, the results were not brilliant. If he was trying to apply pressure and win a few points in the agreement with Soares, all he seems to have won was three more periods and four more commas in the final draft of the text.

Beyond that, what else was there? In the eyes of public opinion--paying little attention and perhaps half asleep in the first sunny days at the beach on a long weekend--Mota Pinto probably seemed to be behaving indecisively, while Soares, for his part, emerged as an adult with his options settled and secure. In this final drama, he regained much of the prestige he had lost through the long drawn-out negotiations for forming the government.

Strengthened as leader of the group underpinning the Ninth Government--no longer simply by virtue of the votes won by the PS, but also because of personal qualities of leadership--Mario Soares even permitted himself the luxury of mentioning Sa Carneiro at the ceremony on 4 June. That is probably something else that public opinion did not understand: Soares talking about Sa Carneiro and Mota Pinto keeping quiet reminded one of two poorly rehearsed actors prompting each other.

Let us try another explanation: could it be that Mario Soares was trying to make it appear that the PS and the PSD "were made for each other" and that the marriage in June 1983 was predestined despite previously unsuccessful attempts? Or, taking himself to be the 100-percent leader, even of the PSD subgroup, did he consider it important to recall Sa Carneiro in order to calm the Social Democratic rank and file? If so, the words he spoke were in fact a cue for Mota Pinto to continue.

The response did not come. Because of that, it can be thought that Soares' intention might have been to recall indirectly that if the agreement with the PSD had been reached in Sa Carneiro's time, one of two things would have happened: either there would have been no "dramatic crux" in the PSD National Council or, 'f there had been, Sa Carneiro would have gotten what he wanted: he would have gotten his viewpoints accepted as he had done so many times before.

Within the PSD, Mota Pinto's attitude was supported by a few, poorly tolerated by others, and also sharply criticized. Helena Roseta again appeared to catalyze the discontent and express it publicly in no uncertain terms. But there were also those who did not see through the game of "approach and retreat" that Mota Pinto played throughout the process.

He was here today and gone tomorrow, absent in Coimbra when he was expected to be on Buenos Aires Street [in Lisbon], and appointing a committee and delegating authority at night only to challenge the decisions of the negotiators the following morning and reassume personal command of the process.

All of that was going on while along Emenda Street, the PS was presenting the public with an image of unity and total commitment. The members of the former secretariat did not get the portfolios of ministers, as was being said at the start of the campaign. But so far they have not made waves. Saying nothing, they seem to have their sights set farther in the future and to be organizing for the congress in October. What about the union leaders? Or the leaders that the PS and the PSD have in the UGT [expansion unknown]? They provided a pretext for breaking with the past, said that "there are things which are untouchable," and remained united, leaving the solution of the problem up to the political leaders. And for the moment, they have won.

They have won the inside struggle, while the unitary union movement--the CGTP--is in the streets with its artillery loaded and calling for a "hot summer" despite the months that remain before the collective bargaining season arrives. Also with its missiles aimed is a part of the parliamentary opposition. For the time being, the centrists are using all their energy to finish solving their internal problems, but the PCP has made good use of the weeks intervening between the end of the election campaign and the opening of the legislature.

The doors of Sao Bento Palace had barely opened before the Communists were ready with 30 legislative bills. They began by submitting seven--abolishment of the wage ceiling, the revocation of installment contracts, changes in the laws on cork extraction in collective production units, establishment of the Municipality of Vizela, and the three-pronged law on the protection of mothers, the right to family planning, and the voluntary termination of pregnancy, which Zita Seabra had defended so well but had not gotten fully approved during the previous legislature.

But the backdrop to the stage on which the PS and PSD leaders and the members of the Ninth Government are moving is covered with large reproductions of dollars, Eurodollars, deutschmarks, and a few yen. It is in that inherited house that the newly married couple is going to live, and let us agree that the PSD's inheritance is larger than that of the PS.

And so we are back where we started: in this setting, what has Mota Pinto gained with his indecisiveness? Certainly no external credit, while internally, he let slip a good opportunity to take over as unmistakable leader of the troika that emerged from the Montechoro congress. In fact, and as we said in summing up the PSD's election campaign, the result obtained at the ballot box was only the first test for the new Social Democratic leadership.

The process is continuing. There has been one more chapter in the march toward forming the government, and in that test, if Mota Pinto wants to recall his standards as a teacher, he will have to agree that it would be hard to give himself a grade of "satisfactory plus."

Agreement Considered Vague

Lisbon O DIABO in Portuguese 7 Jun 83 p 2

[Commentary by Jose Miguel Judice]

[Excerpts] The agreement between the PS and the PSD to form a government has been signed. I opposed that formula from the start, especially for reasons of a strategic-political nature and for systemic reasons, but I am nevertheless a member of the PSD, and I intend to remain one.

Reflections on PS-PSD Agreement

The negotiated agreement--as printed in the newspapers--is a vague one. It seems that there can be no legitimate doubts on that score. It contains nothing about what is essential in the economic and financial plan, it is full of gaps, it includes no timetable, and it is not sufficiently explicit as far as content is concerned. It is also inconsistent in that it tries to mix two kinds of philosophy: one that calls for doing only what can be agreed on through a consensus with the social partners and one that calls for doing whatever proves necessary in terms of the government's overall plan, even if the social partners disagree. The government's success will be measured to a great extent by all of this.

Wishing Good Luck to the Government

The big danger facing this government is, paradoxically, the fact that it has too much parliamentary support. The temptation to confuse themselves with the nation as a whole may lead men with proven credentials in the struggle for an open society to yield to the temptation to act less than appropriately in the field of mass communications. For various reasons, the chief media in the political field will be hostile to the government. Is it possible that the temptation to take over television and radio as a means of offsetting that situation will prove overwhelming? What reactions will it arouse? And what internal conflicts will it produce?

On the other hand, everything seems to indicate that the coalition parties are not embracing the solution with special enthusiasm. This is partly because two of the PSD's minority groups do not support it--in different terms, for different reasons, and with different future reactions as a result--and because a sizable minority in the PS is also adopting a dissenting and uncooperative attitude. But it is also because a widespread feeling that there is a possibility of success is leading the social groups to increase their demands. The fact that Soares yielded to the UGT before the whole thing even got started does not indicate that there will be much future firmness in that area, and if firmness does appear, we can expect greater difficulties and challenges.

The issue of minorities opposing the coalition obviously weakens the solution, not so much by increasing the demands that will be placed on it, but by reducing the support it will receive. Those internal minorities will be careful, but they will not expend a lot of supportive effort. It is at least debatable whether the government would not be stronger with more declared opponents but also with more and better staunch supporters.

That question is still an open one, obviously. But here, too, the answer will be revealed during the government's first year in power. What is going to happen at the PS congress? And the PSD congress? Any prediction would be inopportune. But there is no doubt that the government's future will depend greatly on the answer. Both parties held congresses before this political solution even came up. What stand will the rank and file take on this new situation? No one knows, but until the PSD congress--the last of the two--is over, this government is going to be stamped with a certain provisional character.

Everything is also an open question as far as increased demands by the social groups is concerned, but it is unquestionably possible to predict that the conclusion of a social contract is not very likely. The reason is that the contradictory demands by the social groups will not tend to become more moderate as the economic crisis develops into its next phase. That being the case, what has to be granted to one will be the cause of increased opposition by another. And the first symptoms are not of a kind to lead one to predict that the social groups' expectations as to the chances for success with their specific demands will be weak. Does this mean that as a result, the government will soon begin struggling with what led to the failure of the previous government: deciding on something despite opposition, deciding against something and thus giving in to opposition, or using more or less sophisticated pretexts to put things off so as not to have to choose?

What seems certain is that the conditions are bad at the start. The crisis is raging, and we do not even have the advantage of being willing to make sacrifices. The agreement is inconsistent, and it does not even have the advantage of generating a synthesis at the start, since groups in solid opposition are remaining on the sidelines. The internal unity of the parties is not great, and there is not even the conviction that being opposed constitutes suicide. Before anything had even started, there were already highly negative and revealing indications of the potential risks of conflict.

But bad conditions at the start are sometimes the most necessary stimulus for making success possible. Not only because of the energy devoted to the struggle, not only because of the diffidence that prevents recklessness, and not only because of the sense of limitations that develops, but above all and especially because if there is failure, the future is totally unknown and the dangers enormous. The PS-PSD government has to be successful. This is required by the national interest, the interest of the two parties concerned, and that of the leaders, who in this venture have risked their political heads and even gone against deep convictions.

Good luck, Dr Soares. Good luck, Dr Mota Pinto. You will have my modest support in a critical spirit. That is all I have to offer.

Mota Pinto: Not Real PSD Leader

Lisbon EXPRESSO in Portuguese 10 Jun 83 p 3

[Commentary by Jose Antonio Saraiva]

[Text] The protocol signed last Saturday by Mario Soares and Mota Pinto to be a protocol of agreement between two parties: the PS and the PSD.

Actually, it was not.

It was not because, while there can be no doubt that Mario Soares represents the Socialist Party, it is doubtful that Mota Pinto solely and totally represented the Social Democratic Party.

Naturally, I am not talking about reasons of a formal nature: that is, the extraordinary fact that the agreement was signed by one of the PSD's thirty deputy chairmen when the normal thing would have been for the party chairman to sign it.

The reason lies elsewhere.

And it can be summed up in half a dozen words as follows: Mota Pinto does not entirely trust the PSD's political leadership, and the PSD's political leadership does not entirely trust Mota Pinto.

It is possible to prove those two truths in such a way as to leave no room for doubt.

When Mota Pinto announced to the National Council on Wednesday night that he did not intend to sign the agreement with the Socialists, the council members were dumbfounded.

What does this mean?

It means that Mota Pinto had not discussed the matter previously with his comrades. And since it is not plausible that he would have reached his decision alone, there is only one explanation: he was influenced by a group associated with the PSD leadership.

If one of the statements is proven: Mota Pinto does not entirely trust the Social Democratic leaders, because if he did trust them, he would not feel the need to consult persons from outside.

Let us move on to the second statement: the PSD leadership does not entirely trust Mota Pinto. Putting it another way, Mota Pinto does not have the confidence of that leadership that one would expect.

As was true with the first statement, this statement is also extremely easy to prove.

Despite the recommendation he was making not to sign the agreement with the PS, Mota Pinto was not able to put his point of view across with his party's National Council itself--and he wound up being forced to sign the agreement practically as it was originally drafted.

What this means is that Mota Pinto is not strong enough to impose his will at crucial moments.

The second statement having been proven, it is now time to ask this question: if Mota Pinto does not control the PSD's political leadership and Mota Pinto does not entirely trust it, in what capacity did the Social Democratic deputy chairman sign the protocol of agreement with the Socialists?

I say he did it in a double capacity: as the representative of one line of opinion within the PSD on the one hand and, on the other, as the representative of a group which is poorly defined but which has real influence and whose nucleus is to be sought in the now-extinct committee that supported General Soares Carneiro's candidacy.

Incidentally, it is to that group--to which the former professor from Coimbra [Mota Pinto] belonged before he rejoined the PSD--that Mota Pinto probably owes his political rise and his promotion to the post he now occupies in the party.

This clearly poses curious problems.

If it turns out that Mota Pinto does not represent exactly and solely the Social Democratic Party but two groups whose natures are different, how is the PS-PSD agreement going to work out?

How will Mota Pinto behave, seeing that he is apparently divided between two spheres of influence: that of Antonio Capucho and his friends and that of the friends of the general who lost the election in December 1980?

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CSO: 3542/146

MAD: SOARES HAS NO REASON TO FEAR MOVEMENT

Lisbon DIARIO DE NOTICIAS in Portuguese 13 Jun 83 p 3

[Interview with MAD Promoter, Teresa Santa Clara Gomes by Helena Sanches Osorio; date and place not specified]

[Text] "I believe Dr Mario Soares cannot but support the many forms of intervention that MAD [Movement for the Strengthening of Democracy] plans to carry out," said Teresa Santa Clara Gomes to DIARIO DE NOTICIAS [DN]. Teresa Santa Clara Gomes is a former UEDS parliamentary deputy and one of the MAD Promoters.

DN--I would like for you to tell us about the true acceptance the MAD has had.

Teresa Santa Clara Gomes--The overall feeling I have about the MAD is that its rise was a reply to a breach in the Portuguese people's so-called horizon of hope. I made a speech last year in the Assembly of the Republic in which I said that Portuguese society's real crisis was the one of apathy and frustration felt by all those who had invested in hope and were not disenchanted. As a result, for a significant number of people, the rise of MAD was like an open window, a breach (I like to call it that) in that wall which appeared to become thicker and thicker.

DN--Concrete reactions?

Teresa Santa Clara Gomes--In my opinion, those have been extremely positive. I prefer to look at them in terms of the spontaneous reactions we have had for many people at their own initiative.

DN--When these people contact you, are they thinking more in terms of an embryonic party or is their reaction directly related to the proposals the MAD makes in its manifesto?

Teresa Santa Clara Gomes--I believe there is a bit of everything. However, the majority of them are people who went through a period of great disenchantment and who react to the positive challenge the MAD is proposing. Therefore, what the people find is a proposal of values. It is not a concrete proposal of intervention and action yet. We have not

yet gone as far as we would like to at this level. The people feel they are being presented with a possibly different way and that there is a potential in the MAD that may bring the alternative that has been talked of for so long but which no one has yet been able to give the least amount of form to.

DN--In political terms, beyond that alternative does the MAD aspire to play a pedagogical role in order to "engage in politics in Portugal"?

Teresa Santa Clara Gomes--That is the initial intention. Not that we want to teach whatsoever to the many honest people who are involved in politics within existing parties. Now, there is no doubt that we, as a group, believe that one of our principal tasks is to precisely introduce criteria, behavior, ways of acting in politics, that are different from those the parties have benentially adopted until now.

DN--Despite the fact that the MAD is made up of a few "political bombs", in the final analysis, it came into being without great controversy: in an almost smooth manner. To what is this unexpected complacency due to?

Teresa Santa Clara Gomes--Perhaps it was not the so-called "political bombs" that raised interest. At this time we say we are the 999 [as published] movement because we always want to leave one number open, indicating the unfinished, and not a closed number terminating in the tens or hundreds. In any event, in many instances the approximately 1,000 people who are now formally MAD members are anonymous citizens.

DN--Is there an international organization similar to MAD? In all Western democracies there are associations, pressure groups, countless organizations as well as the political parties. However, I never heard of any organization like the MAD. Is it an attempt to rethink democracy, to modernize it?

Teresa Santa Clara Gomes--It is funny that some of our friends in West Europe with whom we have spoken, have told us the same thing. It now seems that, in Western societies, everyone wishes there were MAD's offering all encompassing proposals without identifying themselves with the traditional party model. In spite of this, that aspiration has not yet been achieved in a timely manner. There are embryos, but in a way our proposal is more daring. I believe that, from the point of view of strengthening democracy, this kind of work is significant for all democracies. I do not believe this is only true for Portuguese society.

Representative democracy is a basic pillar of the present democracy, but it has limits that can only be rectified by other forms of citizen participation and intervention. What is yet to be discovered is understanding how it all fits in. That is one of the most important tasks we have given ourselves.

DN--Is participation in the work of MAD incomparable with membership in a political party?

Teresa Santa Clara Gomes--I do not believe so. It is a subject we have discussed a great deal. Initially, we thought a person who is an active militant of a party tends to exhaust his methods for political intervention. Now, those persons who feel left by the wayside within their parties can find an area of participation (civic, social and cultural) that is not contrary to their activities in the party. For now, it is a discussion we still keep open.

DN--Is it not MAD's goal to gain power?

Teresa Santa Clara Gomes--Power has many meanings. We can regard power in terms of institutional power and we can acknowledge that there is power disseminated in all structures of society which is extremely important for the citizenry to take over. I always had immense sympathy for Balsemao's "liberation of civilian society" proposal, although I could not see how the AD [Democratic Alliance] could do it.

DN--Do you think Mario Soares has reason to fear the MAD's actions, now that he aspires to group around him the majority of Portuguese political forces?

Teresa Santa Clara Gomes--I believe Dr Mario Soares cannot but support the many forms of participation the MAD proposes to carry out. As leader of the largest political party and as prime minister, Dr Mario Soares cherishes, above all, the mobilization of the Portuguese people to overcome the tremendous crisis the nation is going through. Now, the MAD is merely a mobilizing force of these desires and the energy present in our society. And [it is] a mobilizing force serving the "strengthening of democracy"...

9935

CSO: 3542/147

FORMER PRIME MINISTER REPORTEDLY INVESTIGATED FOR CORRUPTION

Johannesburg SUNDAY TIMES in English 12 Jun 83 p 2

[Article by Neil Hooper]

[Text]

A TOP-secret Portuguese delegation was in South Africa this week to investigate allegations of corruption against a former Prime Minister of Portugal, Dr Pinto Balsemao, and the present Portuguese Chief of General Staff, General Melo Egidio.

The allegations include the receiving of bribes from Frelimo officials to supply Mozambique with arms and to forge anti-South African propaganda.

They are contained in the "Veloso Report", which created an uproar in Portugal when it was published there this year.

The Deputy Attorney-General of Portugal, Dr Nuno Salgado, is leading the South African leg of the investigation.

The "Veloso Report" was allegedly among many secret papers brought to South Africa by Mozambique's former security chief, Mr Jorge "Death Eyes" Costa, when he defected in June, last year.

The report is an alleged memorandum to President Samora Machel by Mozambique's Minister of Security, Mr Jacinto Veloso, after a trip to Portugal last year.

Mr Veloso was accompanied on the trip by Mr Costa, and the chief of the Mozambican Army, General Joaquim Munhepe.

Authenticity

If Dr Salgado, who left South Africa on Wednesday, finds that the documents are genuine, it is likely he will recommend that a parliamentary commission of inquiry be appointed to investigate the matter.

Dr Salgado and an aide came to South Africa to try to determine the authenticity of the document, which allegedly incriminates Mr Balsemao and several top aides and government officials.

It alleges that:

● General Egidio agreed to supply Mozambique with military equipment and light weaponry and ammunition at "favourable" prices if he was paid a commission of five percent on all sales.

● Mr Agusto Carvalho, director of the national newspaper L'Expresso, owned at the time by Mr Balsemao, accepted bribes from Frelimo to buy or forge anti-South African propaganda material for publication.

● President Ramalho Eanes's acting military adviser Colonel Estevens, accepted bribes to hire criminals in Lisbon to carry out attacks on officials of the anti-Frelimo Mozambique National Resistance Movement.

● Mr Balsemao undertook to promote Mozambican interests in Europe in exchange for political support in Mozambique — where Portuguese citizens are entitled to vote in the Portuguese general elections.

● Certain Portuguese officials agreed to supply troops, instructors and equipment to Mozambique, although this was contrary to stated government policy.

The "Veloso Report" was first published in the magazine, Scope, on February 25 in a series of articles based on interviews with Mr Costa, and then in the Johannesburg weekly Portuguese newspaper, Seculo de Joanesburgo, which in turn passed it on to newspapers in Portugal.

Evidence

The publication of the document led to an outcry in Portugal and calls for the resignation of the Prime Minister and several of his top officials, and counterclaims that the document was a forgery.

This in turn led to Dr Salgado's visit to South Africa to try to establish the truth and collect evidence.

Among those from whom he obtained signed statements was the news editor of Scope, Mr Russell Kay, who wrote the Costa articles.

Asked about Dr Salgado's visit this week, the Portuguese constitutional general, Dr Farinha Fernandes, initially denied there was any investigation.

He said that two "colleagues" were in Johannesburg helping him to "restructure" his office, as the workload had become too much for him alone.

He later said he could not comment as the matter was an "internal affair of the Portuguese Government".

Mr Kay said he had been closely questioned about the Veloso document and was asked whether he believed it was genuine.

POLITICAL

PORTUGAL

BRIEFS

CDS' 'NEW DEMOCRACY'--The CDS' [Social Democratic Center Party] "civic association", that is to be formed at the end of the month, will be called "New Democracy". The association's statutes have already been drawn up and its president will be Luis Barbosa. Bear in mind that Rui Pena, Jose Ribeiro e Castro and Luis Beiroco are the prominent members of the association's leadership. [Text] [Lisbon EXPRESSO in Portuguese 10 Jun 83 p 24] 9935

NO CHANGES IN MILITARY--We learned from a military source that Mario Soares and Mota Pinto met with Chief of Armed Forces General Staff Gen Melo Egidio yesterday. All indications are that the problem of keeping or firing the chiefs of staff was one of the subjects discussed as well as the question of government-armed forces relations. According to what O JORNAL learned, the question concerning the chiefs of staff was reportedly not among the government's and its defense minister's list of main concerns. [Excerpt] [Lisbon O JORNAL in Portuguese 17-23 Jun 83 p 3] 9935

CSO: 3542/147

PAPER SEES CONFUSION, DESPERATION IN SDP TACTICS, POLICIES

Stockholm SVENSKA DAGBLADET in Swedish 4 Jun 83 p 2

[Editorial: "Deadlock?"]

[Text] "Can the deadlock be broken?"

Using that question as the title, Ernest Wigforss discussed the parliamentary situation in a little book in 1959.

It is an occasion that looks like a thought that STOCKHOLMS TIDNINGEN (s) borrowed Wigforss' question as headline for its main editorial in last Friday's paper. The background of the wonderings of STOCKHOLMS TIDNINGEN is, of course, that the Palme government is heading for the political summer vacations rather badly damaged. In any case, at one time the Communists saved the government from fall, and a second time Palme had to embrace the Communist Left Party (vpk)--the employer fee--to have majority.

Two more Riksgad years in the same fashion may be more than the loyal party people can stand. What possibilities are then available for a more secure Riksdag foundation?

Let us first determine that it is difficult to find any continuous strategy in the actions of the government. At the same time as Olof Palme reaches out to the middle parties, he makes a fist in the faces of Thorbjorn Falldin and Ola Ullsten.

To reach cooperation by waving with political measures--fund socialism!--that the intended partners shun like the plague, is probably even for the professional psychologist an insoluble riddle. Another aspect is, however, easier to understand--the one that Per Edvin Skold mentioned at a meeting of the party leadership in 1944, that is to rule by dividing one's adversaries. Nothing would suit the Social Democrats better than to be able, in 1985, to show the non-Socialists so deeply divided that their credibility as an alternate government would be badly shaken.

Particularly against this background, Thorbjorn Falldin's determined appearance in the Riksdag last Thursday was both gratifying and welcome--the

convalescence after the infectious disease seems to have been beneficial. The plain language of the Center Party leader must have been a sore disappointment for Olof Palme. It put the government in an election situation without the possibility of choice. The Federation of Trade Unions (LD) expects a fund decision by the fall. Such a thing blocks the path for any form of cooperation with Falldin. The choice between Stig Malm and Thorbjorn Falldin is no choice: in the fund issue, the Social Democratic Labor Party (SAP) is LO's chained prisoner.

This, in turn, means that the Social Democrats in the Riksdag are chained to Lars Werner, if they are to pass their fund proposals. The funds are not a final goal for the Communists. One may also assume that they do not go against the Palme government on this issue.

It is a political situation that calls for a gathering of strength on the non-Socialist side. After his first year in the Riksdag as party leader, Ulf Adelsohn sits securely in the saddle. There have been both strength and power in the Moderate offensive. It is also an asset that Thorbjorn Falldin, in such fresh and biting words, rejected the fun-Socialist proposals. The weakness of the Liberal Party is, of course, a non-Socialist worry; no chain is stronger than its weakest link. Before a new fund fight, it seems necessary that the Liberal Party pull itself together and, as soon as possible, carry out the change in leadership that is unavoidable.

It is thus not only the Social Democrats who feel the need to break the deadlock. Wigforss already stated "that those who strive for non-Socialist coalition have the same desire." And is there anything more likely to rally the freedom loving citizens than the fund-Socialist threat?

STOCKHOLMS TIDNINGEN obviously realizes the danger in pushing the fund issue to a decision: "It is always defensible to fight for something that brings one's own policies forward. To fight for something one does not wholly believe in, is more questionable."

As the voices of common sense do not guide the Palme government, the election of 1985 is already now shaping up to the great show-down between individual dynamics and collective paralysis. The non-Socialist parties will then have the chance to release the Social Democrats from wondering how to break the deadlock.

9843

CSO: 3650/216

PALME CRITICIZES CONSERVATIVES' FOREIGN POLICY REPORT

Stockholm SVENSKA DAGBLADET in Swedish 17 Jun 83 p 6

[Article by Emily von Sydow]

[Text] "The Conservatives' foreign policy report is a direct reflection of rightwing American analyses of the Soviet Union. The report puts the independence of the Conservatives in question."

So said Prime Minister Olof Palme in an interview in RAPPORT on Thursday evening. The prime minister claimed that the Conservative report, which was published during the election campaign last summer, undermines confidence in security policy agreement in Sweden.

"It is far worse than advocating that we enter into a western alliance. If we lose our credibility, we risk getting into a war on the very first day and in that case there would not be much left of Sweden," said Olof Palme.

Fiendish Picture

The report presents a "fiendish picture" of the intentions of the Soviet Union. It is hard to support that analysis and at the same time expect to have good contacts with that country, according to the prime minister.

"We are of the opinion that the Soviet Union is located where it is. No matter what we think of the political system there, we want to maintain good and correct relations. We must make it clear that we do not wish to join the western alliance, NATO. Not even if we are exposed to strong outside pressures will we abandon our policy of neutrality."

Olof Palme asserted, however, that he thought he could detect the "start of a retreat" within the Conservative foreign policy.

"It has been more balanced recently."

According to Conservative leader Ulf Adelsohn, Olof Palme's criticism is an expression of "cantankerousness." In their fundamental views, the

Conservatives regard Swedish security policy in the same way as other parties, even if there may be differences in nuances.

"For example we have always maintained that a strong defense is the best way of preserving the credibility of Sweden's policy of neutrality," said Adelson.

6578

CSO: 3650/228

GUNNAR HECKSCHER CRITICIZES PALME FOREIGN POLICY

Stockholm SVENSKA DAGBLADET in Swedish 9 Jun 83 p 3

[Op-Ed Commentary by Gunnar Heckscher: "Initiatives Without Results"]

[Text] Gunnar Heckscher has been a professor of political science, spokesman for the right, and ambassador to India and Japan. The first article in this series appeared in the 7 June issue.

Since the change of government last fall, we have witnessed a flurry of Swedish activity in the foreign policy field. This was intended not merely to display a greater distance from the Western powers and greater sympathy for the side of the East. It has revealed great ambitions, stretched over large areas, and was done to profile Sweden in global politics.

Universal and regional disarmament, especially in matters of nuclear weapons, was one of the established aims. Other efforts were directed to peace in the Middle East, both between Israel and the Arab countries and between Iraq and Iran. Developments in Central America have also been an object of Sweden's concerns. It cannot be denied that the goal of all these actions, taken as a whole, was highly deserving of consideration. Who does not desire disarmament, peace, freedom and social justice in the whole world? The good intentions are obvious. It is something else again to ask what has actually been achieved.

Do Not Rely on Promises

The Scandinavian nuclear-free zone is favored by Sweden and Finland, two countries which are nuclear-free anyway. But Norway and Denmark are sticking with the NATO countries. And the Soviet Union, for that matter, has shown no willingness to remove nuclear weapons from the Baltic Sea and its coasts. Evidently, the Soviets are less unwilling to do something of the sort with Murmansk, which is just a few hours by plane from Stockholm.

Instead, what is suggested here is some kind of promise, upon establishment of the zone, not to use nuclear weapons in the North. But everyone knows, of course, that such promises given in peacetime cannot be depended on when faced with the reality of war.

The inherently attractive but hardly epoch-making proposal for a nuclear-free corridor in Central Europe was met by the Soviet Union with a clearly alien counter-proposal. No one can say whether this was a sign of willingness to negotiate or simply a form of rejection. But the question is no longer relevant, for the proposal was dismissed out of hand by the European NATO countries.

Political Stunt

A contributing factor in the rejection was probably a lack of confidence in the Palme cabinet and social democratic rule in Sweden. The whole thing probably looked like a politically motivated stunt to Bonn, London and Washington.

And one could hardly expect otherwise if one talked with Bahr and not Kohl or Genscher, with Beven and not with Thatcher, with Vance and not with Haig or Schultz. The reception would possibly have been better if the Swedish Government had timely sought to persuade the Moderates and the People's Party to support the proposal through their international contacts.

No Result

Yassir Arafat's visit to Sweden was said to aim at strengthening the more conciliatory wing of the PLO by showing that it could count on international support. That would be a valuable contribution to peace efforts.

But there is no sign whatever that any such result occurred. Arafat barely managed to quit Sweden before having to undertake the struggle for his political and personal life by protesting that he is not at all conciliatory.

Nor did the conciliatory elements in Israel receive any such encouragement. Not even the Israeli Labor Party, an old ally of the Swedish Social Democrats, is regarded as really house broken these days.

Greater Trust

After the new government was formed, Olof Palme, on being expressly asked by the Secretary General, asserted that he wished to retain the UN assignment to mediate between Iraq and Iran. It does not appear that he has made any progress whatever on this point.

Perhaps the two countries will cease their hostilities little by little out of sheer exhaustion. But then there are two other mediating groups that will take the credit for themselves. As far as can be judged, they enjoy not less but greater confidence with the parties than does the UN mediator, for they can more easily offer them some specific advantages.

It is still too early to say anything about the situation in Central America. But it is difficult to see any sign that the Swedish efforts in that region's complicated politics have in any significant way furthered democratic aspirations, the leaders of which have gradually been squeezed between communist and reactionary extremist groups.

To Divert Attention

These are not encouraging results. It is difficult to escape the impression that the large-scale and widely publicized Swedish initiatives have been stillborn. Actually, it must be concluded that neither Sweden as a country nor Olof Palme as a person possess the authority needed in world politics. To be sure, our initiatives have not infrequently drawn scattered applause, but this most often comes from those who are just as powerless as we ourselves.

Sweden is quite simply not sufficiently important to attain anything through such efforts in world politics. These efforts can allay our own conscience, but that is the sole effect they can produce. It can be discouraging to face such a truth. Perhaps there are things going on that prompt Sweden's current government to attempt to divert attention on the home front by seeking confrontation in foreign affairs?

9992

CSO: 3650/218

FUND PROPOSAL PRECLUDES POLITICAL COOPERATION WITH PALME

Stockholm DAGENS NYHETER in Swedish 20 Jun 83 p 6

[Article by Ake Ekdahl: "Thorbjorn Falldin to 8,000 at National Convention: Political Cooperation Impossible With Social Democrats"]

[Text] Vanersborg, Sunday--The Social Democrats and the government are split. Palme cannot be trusted, as Erlander was in his days. The cooperation offers from the Social Democrats are a joke, as long as they want to introduce wage earner funds with the help of the VPK [Left Party-Communists]. That is why political cooperation with the Social Democrats is impossible for the Center Party.

This was the decision delivered by Center Party leader Thorbjorn Falldin to 8,000 sun-worshipping Center Party supporters gathered for a national convention by the shore of Vanern on the outskirts of Vanersborg.

At a press conference Falldin repeated the Center Party's categorical demands on the Social Democrats for cooperation on all other issues: Shelve the funds.

He said that the Center Party can accept a popular referendum on the funds just because this would open up possibilities for cooperation in politics.

"The Center Party is generally prepared to come forward and help reorganize the social economy, but at the same time I must conclude that it is impossible to have broad political compromise solutions as long as the Social Democrats, together with the communists, intend to propose funds that change the entire social system," Falldin said.

Compared

He made a comparison with the 1950's, when the Social Democrats and the then Agrarian Union abandoned questions of difference between the parties in order for the red-green coalition to take place.

"Both the Social Democrats and the Conservatives must abandon their fringe politics in order for the Center Party to be able to enter into cooperation with these parties," Falldin said. He did concede, however, that today's categorical demands on the Social Democrats to eliminate the funds have not

had any counterpart in recent years. For example, the Center Party did not impose similar demands on the Conservatives concerning nuclear power before the 1976 coalition.

Falldin's rejection of the funds also includes the profit distribution, which is now in the process of being instituted. The profit distribution is only a first step aimed at leading up to a fund-Sweden," in the opinion of the Center leader.

Irresolute

In his speech Falldin called for a decision by Palme as to where the Social Democrats stand on the fund issue, on the tax issue, on government economy measures, business and industrial policy and the environmental issue.

He described Social Democracy as irresolute and contradictory, when one day the minister of finance is bulldozed and ministers are quarreling on an open stage.

"We have gotten the cabinet of the many different ministers," Falldin thinks.

Regarding the funds, Falldin said the following:

"It is something new in Swedish politics when the Social Democrats ask the communists to help force through an economic system which is different on essential points."

"What reason do we in Sweden have to break with a system which has provided us with almost the highest standard of living in the world."

Palme's attitude toward the funds is an expression of "self-satisfaction and the arrogance of power," Falldin said and rejected the government's offer to sit down to fund negotiations this fall. He saw the funds, the forest policy and the collective membership as proof that the Social Democrats' interest in freedom is not very deep.

Regarding taxes he said that further indecision would trigger an intensified struggle between various pressure groups in society.

Tax Rate

"Tell us straight out, Palme, whether it is as the finance minister says, that the tax rate for the next few years is locked in."

About the cuts, Falldin said that the government must show its hand pretty soon. He regards the promise to the pensioners as false.

About the business and industrial policy, Falldin said that pumping additional billions into the AMS [Labor Market Board] does not provide more jobs. He also criticized the theoreticians, whom he called "desk phantoms," who neglect the agricultural policy of the Social Democrats.

About the environment, he finally said that the introduction of coal which the Social Democrats want to have conflicts with the goal of principally concentrating on domestic sources of energy.

Frittered Away

Hard times require political cooperation, but the Social Democrats are showing no desire for cooperative activity in practice, Falldin said. The tax issue is an example of how Palme frittered away the confidence he had inspired, he said.

This is not how the old Social Democrats negotiated and this is not the way things happened during Erlander's time, he rounded off every attack on Social Democracy.

"The Social Democrats are standing there irresolute and the Conservatives have started having trouble renewing themselves. Nowadays their element is increasingly harsher internal confrontation, but in practical politics they find each other on issues which expand the centralized society," Falldin said.

The Center leader believed that the loud conflict between Conservative Carl Bildt and Palme concerning security policy could even damage Sweden's security-political interests.

11949

CSO: 3650/221

CONSTITUTIONAL ASPECTS OF FUND PROPOSAL RAISED

Stockholm DAGENS NYHETER in Swedish 20 Jun 83 p 2

[Editorial by NES: "The Funds and the Constitution"]

[Text] Only political decisions are made by popularly elected bodies. Democracy has only been instituted on the political level.

Not until wage earner funds acquire power over the economic decisions, in the companies, will we also have economic democracy.

This is the wording of one of the principal arguments for wage earner funds. According to this reasoning, the present constitution does not stipulate "economic democracy," for otherwise this would already have been instituted. The question is thus whether "economic democracy" through wage earner funds requires an amendment to the constitution.

According to the most recent fund proposal by the LO-SAP [Federation of Trade Unions-Social Democratic Workers' Party], in January 1981, the regional fund managements in the future will be chosen by elections in which everyone who has ATP [general supplementary pension] points has the right to vote.

Chapter 1, Section 1, of the constitution says:

"All public power in Sweden comes from the people."

"The Swedish democracy is built on free formation of opinion and on the general and equal right to vote."

In practice the funds will exercise public power but be based on an unequal right to vote, if only those who have ATP points are allowed to vote.

Assume then, that fund managements will instead be elected in general elections, with a fourth ballot.

In Section 3 the constitution says that "Parliament is the principal representative of the people." There are primary municipalities and regional municipalities in the country. The competence of the municipalities is vested

in the elected bodies. Municipalities may levy taxes to carry out their duties."

The funds will exercise public power alongside Parliament, regional governments and municipalities. If the managements are allowed to decide on "profit distribution" and "payroll taxes" by the companies, in practice they also have the power of taxation.

The constitution contains no explicit ban on collective union-dominated funds. The government can circumvent the constitutional demand for a general and equal right to vote by eliminating elections to the fund managements and instead formally appointing them itself, on the recommendations of the unions. The government can also, of course, insist that the funds are not exercising public power but that they have only received a commission from Parliament--as, for example, the tenants' movement is allowed to negotiate about rents.

Nevertheless, it is difficult to draw a conclusion other than that union-controlled funds with great power over investments mean a fourth estate in conflict with the principles behind the constitution. "A corporate form of government is foreign to the constitution," Erik Holmberg and Nils Stjernquist write in their comment on the constitution.

The funds will gradually, if they wish, assume ownership of the companies, completely or partially. The funds are built up in part with a special tax on profits, in part with a general payroll tax. About half of these payroll taxes is paid by the companies, according to several studies (Goran Normann, Bertil Holmlund). Consequently, the funds will be able to buy the companies largely with the companies' own money.

Does not the constitution contain any protection against confiscation of private property?

Chapter 8, Section 1, of the constitution establishes that "an individual shall be assured of compensation on grounds which are determined by law in case his property is claimed by expropriation or other similar disposal."

That is all. The section does not prohibit confiscation, it only deals with compensation. Could this also be valid for stockholders, when their shares gradually decrease in value as the funds take over? Not formally. To begin with, the section on compensation deals only with expropriation and similar. And the shares are not being formally expropriated. Further, it would become difficult to prove afterwards that a drop in prices is due precisely to the operations of the funds. And furthermore the stockholders could lose because the funds are keeping dividends low from the companies they control. At every stockholders' meeting they have the right to limit or suspend dividends....

As Gustaf Petren points out in an important article in SVENSK TIDSKRIFT, the constitution does not provide adequate protection for the right of possession. It is not even mentioned in the chapter on freedoms and rights.

The principle which determines compensation for expropriation should be applicable also when a certain group of citizens is caused losses through other public measures. But the constitution lacks a general clause.

If the government proposes an amendment to the constitution, one-third of the members of Parliament could demand that the proposal should be the subject of a popular referendum, and if a majority rejects the proposal the outcome will be binding.

Control by union funds violates the principles of the constitution. But will that prevent the government and its parliamentary majority from deciding that the constitution should be "interpreted" in such a manner that it permits wage earner funds, without constitutional amendment and without risking a popular referendum?

11949

CSO: 3650/221

LIBERAL PARTY LEADER PRESENTS PLAN FOR COALITION RULE

Stockholm DAGENS NYHETER in Swedish 15 Jun 83 p 2

[Editorial By Olof Kleberg: "Westerberg's Boundary Line"]

[Text] For Bengt Westerberg, a clear boundary line toward socialism is essential for a liberal party. A boundary toward conservatism is not needed, he obviously thinks, even if he mentions some differences. The Moderates are placed under the heading "Liberalism in Broad Meaning," just like they themselves so badly want to.

The term "middle party" can give the impression that one does not take a position on the decisive issue of market economy and socialism, he writes further. Here he loosely copies a reasoning the Moderates naturally love.

Westerberg finally rejects the part of balance master for the Liberal Party. It is dangerous for an ideological party, but possible for an interest party like the Center Party. He thus seems to write off coalition in the middle.

Through these three statements in today's debate article, Bengt Westerberg has painted his picture of the political scene today. His conclusion is that a non-Socialist three-party government should be formed at a non-Socialist election victory. Should any party remain outside, Westerberg seems to say, it should be the Center Party.

One may certainly wonder if statements of this kind from one of the leading proponents of the Liberal Party do not produce even more confusion--just what Westerberg says he wants to avoid.

That there is a boundary line between socialism and market economy or liberalism is self-evident. That dividing line appears sharper when the Social Democrats, in one version after another, insist on chiseling out a bureaucratic centralistic fund economy. Thus far it is easy to agree with Westerberg.

The middle parties are not socialist. Neither do they stand between socialism and market economics. The term "middle" means a position on the

traditional right-left scale. It aims to describe parties that are clearly for a working market economy, for meaningful changes within this market economy (power distribution, influence from the employees), and for social equalization and security for all. From their own ideologies and their own voters' interests they are in certain questions closer to the Conservative Party (that in Sweden wants to call itself liberal), in other questions closer to the Social Democrats.

This particular position may be the basis for contacts between the Right and the Left. Those contact possibilities are not less, but more necessary in today's polarized situation. But the condition for work on block desolution is a credible, solid idea platform. Social Democracy has that, but not the will. The Liberal Party has undermined theirs through fuzzy issue policy. It takes time to build it up again.

A government coalition after 1985 between the Social Democrats and the middle appears now very unlikely. A three-party coalition to the right does not seem evident either. Let the parties now form their own policy on issues and leave government constellations alone! The election and the issues should settle the government question, as the Center Party said before its meeting.

Bengt Westerberg is much sharper when he starts in on the economy, his own area of expertise, than he is on the coalition questions. Clear answers are needed and he has much to give here.

The distortion in budget and trade balance makes it absolutely necessary to save in country and in district. It is not enough to let the export industry expand, to "work our way out of the crisis." We must be ready for both a decrease in real wages and a decrease in assistance.

Then it is important to protect those really weak and, preferably, as Westerberg wants (and here he emphasizes more than before his social consciousness), improve their situation. How this should be done ought to be a central political issue. Certain general assistance, particularly the food subsidies, can be dispensed with. Other assistance, such as aid to whole groups, for example, families with children, should be strengthened. But one should be careful using income-based assistance, even if it sometimes is unavoidable. It leads to difficult margin effects and social gradation.

Not even denationalization is a simsalabim solution. Alternatives and competition may be good and useful, but we cannot do without a strong public sector, if all, on the same conditions, are to have the same availability of social service.

9843

CSO: 3650/216

FALLDIN ADDRESS INDICATES TOUGHER STANDS BY CENTER PARTY

Stockholm DAGENS NYHETER in Swedish 20 Jun 83 p 2

[Commentary by Olof Kleberg: "Sun Over Green Sweden"]

[Text] Vanersborg, Sunday--Little Paris is lying there secure and sparkling in the fresh breeze of summer as 20,000 Center Party members take part in their national convention. The march goes from Sjovalen by the shore of Vanern, where the freshly cut hay lies fragrant in the summer heat, through the town to Fredriksbergsvallen by the Gota river.

Brass bands, violins and accordions try to beat the time. But the Center Party supporters walk with regular and unorganized steps. Other than that, the interaction is better than it has been for a long time in the Center movement. The dissonance and melancholic notes from the period in government are gone with the wind--now confidence in their own course is growing.

"We farmers cooperate," it says on the blue caps with visors being hawked at 25 kronor a piece. The core of the Center movement acts jointly for the farmers and the rural regions. The difficulty for the Center Party in the next few years will be to reach outside this circle of slightly more than 10 percent of the voters.

Thorbjorn Falldin's forceful speech at the national convention denotes that the Center Party wants to reinforce its profile on the traditional issues: decentralization, environment and renewable energy. All well and good. But in the 1980's of deficits and unemployment this is too limited a message for those who are not fanatics.

The solution, the centrists believe, is to couple economy and resource budgeting with a tenable alternative; that can be done, but requires concrete, patient preparation work--better than the overly simple local social solutions of the 1970's.

"The tenable solutions are not to be found on the political fringes," Falldin self-consciously stated in his speech. Eyebrows are surely being raised both on the left and right in indignation over such unabashed statements from a rather small middle party.

But Falldin and the Center people know that neither Conservatives nor even Social Democrats can manage alone.

The Conservatives' young big-city gang and its politics have alienated the party from the Center Party and its values. The tough tactics of the Social Democrats after the election--not to mention their opportunistic opposition methods--have also offended the Center.

"The hallmarks of the new government are self-righteousness and the arrogance of power," Falldin says.

That sounds familiar, doesn't it? Yes, Falldin is deliberately using Olof Palme's words from the period in opposition.

"When the ball is inflated too hard, it bounces back," Falldin laughs after the speech.

As before, the Center Party is prepared for broad cooperation--but not on just any condition, Falldin stresses. One absolute condition is that the fund proposal is shelved. Furthermore, the tax agreement must be kept valid (and perhaps it will be after Feldt's assurance), savings measures initiated and cooperation with the VPK [Left Party-Communists] cease.

The problem could perhaps be solved by pushing the fund issue aside with a popular referendum--as was once done with nuclear power? Falldin hesitates before the issue but seems tempted. The decision is up to the Social Democrats.

A tough message to the Social Democrats, harsh criticism on many issues--but no locked doors, despite all.

In common with the Conservatives the Center Party has the struggle against the funds, as well as the fundamental economic view. But not the attitude toward unemployment and social security.

"In the sunny days of summer,
We sing wherever we go,
hello, hello!"

Sang marching Center Party supporters. Who will answer them?

11949
CSO: 3650/221

MAOIST ORGAN: 'PALME'S BOYS' IN FOREIGN MINISTRY SILENT ON USSR

Stockholm GNISTAN in Swedish 9 Jun 83 pp 1,4

[Article by Thomas Kanger and Peppe Engberg: "'Palme's Boys' Take Over at the Foreign Ministry: Comment on USSR Banned"]

[Text] Troublesome Foreign Ministry officers are being transferred. No one in the ministry is allowed to speak on the Soviet Union. These are the latest steps in the government's--i.e., Olof Palme's--rapid reshuffling of Sweden's security policy.

While Olof Palme is making a great stir publicly about moderate Carl Bildt's U.S. trip, secretly he is going about making changes at the Foreign Ministry. Experienced civil servants are being replaced with Palme's own men. The head of the Foreign Ministry's six political divisions, Lennart Eckberg, has been appointed ambassador to West Germany. He was replaced by Jan Eliasson, whose chief foreign policy qualification is that he was Olof Palme's private secretary.

The sixth department, Pol 6, which handles disarmament matters, is also headed by a new man. Department head Bjorn Skala has been removed, and Ulf Svensson has taken his position. Svensson is also a member of "Palme's Boys," the circle around the Prime Minister. Sweden's Minister of Disarmament Maj Britt Theorin, for whom Svensson works, would prefer someone else at this post, but Lennart Bodstrom and Olof Palme rejected his nomination.

GNISTAN learned today that yet another important Foreign Ministry official will be promoted out: department head Goren Berg, assistant chief for Pol 1.

Long Experience

Like Eckberg and Skala, Goren Berg has long experience in the Foreign Ministry and worked under the Center Party governments and the previous Social Democratic government and Sven Andersson. During his 25 years at the Foreign Ministry, Berg worked for the former ambassador to Moscow, Sven Jarring, and is today considered one of the Foreign Ministry's top Soviet experts.

It was he, for example, who composed the sharp note to the Soviet Union concerning the violations in Harsfjarden. But now Goren Berg is to be dismissed. Against his will, he will be an ambassador to an Arab country.

The transfer is not yet complete, however, for his replacement has not yet been selected. It is no secret that Göran Berg belongs to those officials in the Foreign Ministry who are skeptical toward the zone proposal of the Social Democrats. Moreover, everything points to Berg's being one of the authors of the so-called Green Book, the name given to the critical analysis of the nuclear-free zone proposal presented early this year by Foreign Ministry officials.

The analysis was labeled secret by the government and Olof Palme's irritation over the analysis was evident from various comments. It would not be too wild a surmise to see a connection between this irritation and the present replacement of the experienced staff at the Foreign Ministry. It amounts to a question of disagreement on security policy.

New Area

Bearing in mind Olof Palme's assurance that "our security policy is solid," it seems remarkable that the government, during the most critical crisis in security policy since World War II, is transferring its most experienced sovietologists. It also seems a little peculiar that one of them, with such long experience in Eastern Europe, is not permitted to work in this area, but is transferred to an Arab country and a region about which he has no knowledge.

Unconfirmed statements made to GNISTAN assert that the Foreign Ministry workers have been muzzled on statements concerning the Soviet Union. In several instances, in the so-called Bahr Affair, for example, the Social Democratic government reacted in irritation to what were thought to be leaks within the Foreign Ministry. Attempts are now being made to stop these leaks. Defense Minister Thunborg explained in an article in DAGENS NYHETER on 4 June that he thought this "would forestall a lot of the dubious features" of the debate on security policy.

"Many of these 'experts' should have known better than to act so rashly," wrote Thunborg.

Several Foreign Ministry officials with whom GNISTAN has been in contact the past few days have said in reference to Thunborg's statement that no one is willing to make public statements anymore.

9992

CSO: 3650/218

BRIEFS

PALME'S NEUTRALITY STATEMENT ATTACKED--Olof Palme is trying to tell the rest of the world that the Swedish neutrality policy is being questioned. This does not enhance the credibility of the Swedish neutrality. Similarly, the fact that Palme has gotten the idea that distrusting the good intentions of the Soviet Union to respect other nations could damage our neutrality, also does not strengthen our credibility. This is what the chairman of the Conservative Youth League, Member of Parliament Gunnar Hokman, said in Waxholm on Sunday. "The use of public authority in order to act without formal decisions as a court against opposition politicians is not done in our country." If no one among the Social Democrats can calm the prime minister, government authority could reach a decline, which in addition may do permanent damage to the Swedish neutrality policy, Hokman said. [Text] [DAGENS NYHETER in Swedish 20 Jun 83 p 6] 11949

STABILITY IN POLL--The political situation is stable. This is shown by the SIFO [Swedish Institute for Public Opinion Polls] voter barometer to be published in several morning newspapers on Sunday. The Social Democrats show faintly declining figures and with 44 percent record the lowest figures since March 1980. A total of 967 interviews were made between 25 May and 7 June. The Social Democrats got 44 percent (-1), the Conservatives 29 (unchanged), the Center Party 13 (unchanged), the Liberal Party 4.5 (+0.5) and the Left Party-Communists 5 (-0.5); 3.5 percent submitted a blank ballot or did not state a party preference, while 4.5 (+1) voted for the minor parties. [Text] [DAGENS NYHETER in Swedish 20 Jun 83 p 6] 11949

CSO: 3650/221

ARCAIYUREK ON PARTY EFFORTS TO STRENGTHEN POSITIONS

Istanbul. MILLIYET in Turkish 2 Jun 83 pp 1,7

[Article by Cuneyt Arcayurek: "Parties in the Process of Strengthening Their Positions"]

[Text] Regardless of what anyone says, the newly-founded parties will be embarking on a more effective campaign in the days ahead, first to prove that they have grown strong, and secondly to draw votes from the grassroots by adding familiar names to their ranks. Doing this is part of the nature of political parties, and now that the Great Party of Turkey has been outlawed, we are all going to be seeing which of the remaining parties will make the best use of this tactic.

Up until yesterday, it was commonly thought that the grassroots movements had been channelized. But, in view of what just transpired, it is now a bit difficult to figure out exactly which way these movements will flow next. It is even more difficult to take it for granted that some definite efforts to establish a new party will not crop up, since there could be others who would like to inherit some of the grassroots forces left in limbo as a result of the recent occurrence. People with this sort of ambition may indeed be contemplating taking over the grassroots by assuming that today's atmosphere is working in their favor. Some of their names are names already familiar to the public--for example, a certain magazine owner, a few old politicians, a retired admiral... If the right moment for turning these ambitions into an attempt to start a new party does come, we will be seeing preparations underway for establishing a new party on the premise that that party will one day take over the right-wing grassroots.

As far as speculation goes, all of this looks like a minor movement at this point. However, if things do get to the point of having a new party formed, I wonder what will happen to those people (writers, artists, etc.) who have been crying out against division on the right, believing that the motherland is just about lost. Take for example a person like Mehmet Yazar. He has been "sold to the grassroots market" because he calls everyone brothers,

speaks one language and has a world view. Perhaps division on the right will occur, and then we'll see "a new savior" replacing Yazar in the political field. The problem will have been solved. But then we'll look again, and we'll see a sudden change at the "top" of one more right-wing party that was established with a bureaucratic image and seriously tried to make a name for itself. One leader will be gone and another will have replaced him. Never think that this can't happen. Anything is possible.

I began here by mentioning parties' efforts to take into their ranks well-known names in order to strengthen their positions. I've also looked at some of today's "sleeping lions." Unfortunately, the overtures being made by the Nationalist Democracy Party (NDP) to strengthen its position have been slipping between the columns because of the NSC decision of two days ago.

Two people who have just joined the NDP, putting their stamp of approval on the manifest bearing Sunalp's signature, are former Director General of Anatolia News Agency, Atilla Onuk, and former Counsellor at the Ministry of Tourism, Kemal Baytas. Aren't these names a clear indication of the care this party is taking in planning for the future? Of course they are.

In the event that the NDP does win after one election (provided that it isn't postponed), it could have no more influential name for its press affairs than that of Atilla Onuk. Placing him among the NDP cadre now shows tremendous foresight. He is a well-known man. He worked for years at the side of a former Prime Minister and was highly respected. He added to his fame when he wrote how that former Prime Minister "showed Turkey's strength by pounding his fist on the table in front of former President Carter in order to prove his success." This is just one of many examples, of course. Also, note the coincidence of how Onuk was taken into the NDP on the very morning that the NSC decision was to be announced. He has thus dedicated himself to the service of the NDP, giving it his skill on the job as well as his terrific insight.

Kemal Baytas is an esteemed old bureaucrat. It's a shame that those who didn't understand how valuable he was, especially those former Prime Ministers, probably only realized the day before yesterday just how wrong they had been. We have a right to expect our friend Metin Toker to be writing again soon in *MILLIYET* about Baytas' valuable services to the Turkish Publicity Foundation. The positive steps this man has taken to strengthen the NDP must get written coverage so that people understand.

These are all examples of the strengthening process begun by the parties that survived the NSC decision. The NDP needs to work quickly to continue enlisting names that have gained the esteem of the public through their valuable services to the former Prime

Ministers. It needs to do this in order to become stronger--yes, much stronger. The stronger it becomes through such efforts, the happier we, the country, will be. Let there be no doubt about this.

Tell me, wouldn't it be a sort of betrayal of the motherland not to want such powerful, well-known names to join the NDP or other parties?

Hurrah for Onuk, Baytas and the NDP!

12279

CSO: 3554/315

DECISION ON WHETHER TO BUY OR LEASE NEW SUBS EXPECTED SOON

Copenhagen BERLINGSKE TIDENDE in Danish 9 Jun 83 p 3

[Article by Dan Axel]

[Text] Defense Minister Hans Engell would like to call together the Defense Agreement's special 11-man committee to discuss whether Denmark should buy or lease new submarines when the old ones are retired. The meeting will take place sometime in the next few months.

"The situation calls for a decision," Defense Minister Hans Engell said to BERLINGSKE TIDENDE. "Relatively soon, that is to say, before next year, we will have made up our minds as to how to replace the old submarines."

The possibility of leasing replacement submarines from our NATO allies is currently being studied by the Danish delegate on NATO's Military Committee. It was Knud Damgaard, defense policy spokesman for the Social Democratic Party, who requested that the possibility of leasing be investigated. "It will be worthwhile to find out what these investigations have revealed, and what was concluded," Damgaard said.

Defense Minister Hans Engell said:

"I don't have the report from the Military Committee yet, but I expect that we will be getting the results very soon. The Defense Command is also evaluating buying versus leasing in connection with replacing our submarine defense program, and I'm expecting a report from them sometimes this summer."

At the same time Knud Damgaard wants permission to see NATO documents concerning division of labor and specialization with regard to defense in NATO's northern region. "If the requirements for Danish defense are fulfilled, there will be a need for a division of labor throughout our regions," he said. "I know that NATO has such documents, and it would be extremely worthwhile for our discussion if we know what the existing plans are."

9584

CSO: 3613/127

EIMLER ON OFFICER TRAINING, OTHER ISSUES

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 14 Jun 83 p 2

/Report of interview with Lt Gen Eberhard Eimler, air force chief of staff, by Ulrich Mackensen, member editorial board/

/Text/ Ever since Gunther Rall or Johannes Steinhoff, the Air Force increasingly sought to keep aloof from the critical section of "published opinion." This development reached its climax at the time of Lt Gen Friedrich Obleser, the last chief of staff. In crude terms this might be summarized as follows in the (unofficial) assignment of the air force spokesman: "Keep those press harpies off me!" Since 1 April, Lt Gen Eberhard Eimler (52) has been the air force chief of staff. Our editorial staff member Ulrich Mackensen talked with the General who seeks a new beginning in this field, too.

Together with four-star Gen Wolfgang Altenburg, army chief of staff since 1 April also, General Eimler belongs to the new generation of Bundeswehr officers who neither served in the Wehrmacht nor consciously experienced World War II, and who feel completely at home in the tradition of the Bundeswehr. Precisely for that reason he does not consider sacrosanct every Bundeswehr custom, such as the hitherto obligatory college degree for all long-term and career officers. In Eimler's view, such studies have generally been valuable "given the present-day demands on an officer." However, "many young people want to become officers though they are not enrolled in colleges." That is why the military services (army, air force, navy) in Bonn are considering "whether university studies should be modified, and whether they should be placed at a different time segment of training." At the moment such studies begin after an initial 15 months of military service. Eimler said that the "Bundeswehr chief of staff is now considering the matter."

"On the whole we should uphold university studies as such." They have proven their worth. "How and what should be modified, is now at the stage of examination. Still, I ask myself whether a college degree is really required for every officer," said the air force chief of staff.

Eimler mentioned the improvement of air defense as one of the main emphases of his future efforts. The air force, he said, had abandoned its request for a new "tactical fighter aircraft" (TKF) for 1990's, a project already rejected by former Federal Defense Minister Hans Apel (SPD). "Nevertheless the Air Force is convinced

that it will need a fighter aircraft to improve air defense in the 1990's." This requirement is "based on current threat analyses."

More important yet is the replacement of the obsolete "Nike" air defense rockets by the equally land-based "Patriot." This new rocket has shown itself to be most effective. "It could be available in the second half of the 1980's, provided it is included in 1985 Bundeswehr planning, and the financial resources are available," the general stated.

Eimler said that he would assign priority to the rocket if he were in the situation of having to decide between the procurement of a new fighter aircraft or the "Patriot" air defense rocket. However, from 1992 or 1993 on a new fighter aircraft would definitely be needed to succeed the "Phantom" that would then have been in service for more than 25 years and, because it was a "second generation" aircraft, would no longer be capable of standing up to the other side.

In the air force chief of staff's opinion, the future does not lie with unmanned missiles. He considers that a mixture of unmanned missiles and manned aircraft will be needed. "Rockets are very effective, but only where they are emplaced. I need the fighter aircraft to be able quickly to organize key positions," Eimler said.

11698

CSO: 3620/391

BRIEFS

UK ORDERS DAUPHIN HELICOPTERS--The British company Management Aviation has just ordered four "Dauphin 2/SA 365 N" helicopters from Aerospatiale. This company, which is already operating six "Dauphin 2's," will be the first to put this type of helicopter into service in the North Sea. The four "Dauphin 2's" will be equipped in the IFR fashion (instrument flight). They will be used for search and salvage missions and for oceanic oil exploitation. [Text] [Paris ELECTRONIQUE ACTUALITES in French 3 Jun 83 p 8] 12253

MILITARY EQUIPMENT ORDERS INCREASE--The National Assembly Defense Committee has indicated that foreign countries' military equipment orders to France have risen to 41.6 billion in 1982. The committee, in a letter addressed to the chairman of the committee, Louis Darinot, from the minister of defense, Charles Hernu, specifies that the total, which represents a value of 37.5 billion in 1981 francs, shows an increase of 11 percent over the total orders recorded in 1981 which add up to 33.8 billion francs. The total orders received in 1982 is almost 8.5 percent greater than the average of the last 8 years which had been 34.5 billion 1981 francs. The equipment ordered is 70 percent aeronautical, 20 percent land use, and 10 percent naval. The majority of orders recorded in 1982 were from countries in the Near and Middle East as well as from Maghreb, but the committee estimates that the total of these orders--66 percent of the total figure--is "significantly less than that of the two preceding years which was 72 to 73 percent." According to the committee, 4.3 percent of the orders received in 1982 came from Latin America and the Caribbean countries, 4.3 percent from Black Africa, 8.6 percent from Western Europe and North America, 16.4 percent from the Far East, 65.9 percent from Maghreb, the Near and Middle East and .5 percent from countries not mentioned. [Text] [Paris ELECTRONIQUE ACTUALITES in French 27 May 83 p 10] 12253

CSO: 3519/533

NEW ESTIMATE RAISES NUMBER OF EXPECTED CASUALTIES IF WAR ERUPTS

Oslo AFTENPOSTEN in Norwegian 16 Jun 83 p 16

[Article by Ragnvald Naero: "The Army's Casualty Figures in a Potential War Outdated: The Estimated Number of Wounded and Killed Must Be Doubled"]

[Text] If a war should break out in Norway, we can expect a great number of soldiers will be wounded or killed. How large a loss of personnel is reasonable to assume has been uncertain in recent years. Now, however, a working group, appointed by the Defense Department, has submitted its report. The conclusion indicates that the estimated casualty figures used for planning purposes must be almost doubled. At the Headquarters Defense Command Norway, AFTENPOSTEN received a confirmation that this is an accurate study and thus it is likely that it will be necessary to strengthen the readiness of the medical service.

"There is no doubt that the casualty figures we earlier operated with in case of war were too low. We must therefore take the new figures seriously and study them further. But let me stress that there are many uncertain factors that are connected with an analysis such as this one. War on paper will not always agree with a real war," says acting organization chief at the Norwegian Army Staff College, Col Ole Ronning. He admits, however, that the casualty figures which are now presented are somewhat higher than expected.

It was the Army Staff College which last year took the initiative to have the existing casualty figures calculated in 1976 reevaluated. The purpose was to get a better current overview of how many sick, wounded and killed it is reasonable today to expect should there be a war on Norwegian soil. Such an overview is used in the training of military personnel and for planning purposes.

But the Medical Services Norwegian Armed Forces, which is responsible for the readiness of the medical service, has for a long time been asking for a professional military evaluation of the effect of various combat alternatives on human losses. In addition, our allies who are earmarked for combat in Norway have put a question mark after the capacity of the medical forces.

The working group has consisted of representatives for the Medical Services Norwegian Armed Forces, the Norwegian Defense Research Establishment, the Inspector of Medical Services/Army and the Army Staff College. The chairman has been First Lt Ole Silseth at the Army Staff College. He says that the point of reference for the study has been a NATO study for an eventual conventional war in Central Europe. These figures are then adapted to Norwegian conditions.

"Our work is based on a short-term calculation (5-8 days) and a long-term calculation (30 days) with the strength level of a brigade (5,000 men). In the first-mentioned instance, we assume that enemies, terrain, form of combat etc., are known. These factors are more uncertain in the calculations we have conducted for a long-lasting war," says Silseth.

"Roughly speaking, we conclude that during a short-term war, the losses will under favorable conditions be 10 percent a day, covering sick, wounded and killed. Even such great casualties as this do not presuppose constant combat but calm periods in between.

"During a period of 30 days (here the supposition is 6 days of intense combat, 15 days moderate combat and 9 days slow combat), a brigade will suffer accumulated casualties of up to 50 percent. It is, however, important to emphasize that these casualty figures can be reduced considerably if already in peacetime there is concentration on the possibilities for better protection in the form of bunkers, equipment for trenches for the soldiers, etc."

Silseth maintains that these conclusions correspond well with the figures NATO operates with but that they are more than twice as high as the existing casualty figures the army tables show.

Commander Ronning at the Army Staff College points out that the working group's effort is accurate work and that it now will be subject to the usual staff review. "We must evaluate further how the conclusions correspond with the war picture we can visualize here in Norway. If the figures prove to be correct, the medical service readiness must be strengthened, especially behind the brigade in connection with evacuation and hospitalization of sick and wounded. I doubt, however, that a brigade will suffer accumulated casualties of 50 percent during a 30-day period.

"It is the technical development in weaponry that has taken place in recent years, and therefore anticipated combat intensity, that can be blamed for the fact that today we must expect greater casualties."

9583

CSO: 3639/130

MILITARY 'CENTER OF GRAVITY' MOVING EASTWARD

Helsinki HELSINGIN SANOMAT in Finnish 10 Jun 83 p 26

[Text] Finland's determination to defend itself believed in despite shortage of equipment.

The "allied" headquarters responsible for the defense of Northern Norway is located in Bodo on the west coast of Norway well north of the Arctic Circle.

There Finnish visitors too are shown a map on which Soviet Army spearheads penetrate Norway through the northwestern arm of Finland and the south side of Lake Inari.

On another map the Kola Peninsula is jammed so full of Soviet missiles and other military equipment that some of those lethal devices seem to be falling into the icy Arctic Ocean for lack of space on land.

A rather young staff officer spoke of the Eastern threat in a semi-shrill voice which may have been due to his nervousness in presenting the material, but which nevertheless gave the impression that the man believed that war was imminent at that very moment.

Too Few People

He spoke of the "disadvantaged population and areal relation" that prevails in Northern Norway. In other words the fact that thinking in defense terms, just too few people live in the north — only 466,000 in an area that would cover Denmark, Belgium and the Netherlands.

As for the Soviet Union, it has managed to populate the dreaded Kola Peninsula with about 9 million people, to say nothing of stocking it with enormous arsenals of weapons.

Nothing was said about the size of the northern populations of the intervening neutral nations, Finland and Sweden. About the neutrals' weaponry and the nature of their armies, to be sure.

Problematic Equipment

"We have confidence in Finland's (and Sweden's) determination to defend itself. Sweden has excellent defenses in the north. As concerns Finland, its equipment (that is, the lack of same) may prove to be problematic if the moment of truth comes," Lt Gen Ulf Berg felt.

He is the commander of the "allied forces," or NATO troops in Norway, in Northern Norway. The general answered questions at a press conference in his headquarters, the purpose of which was to provide explanations with regard to questions pertaining solely to military strategy.

Thus there was no need for foreign policy tactfulness. Nor was a single responsible Norwegian statesman present. Nevertheless, General Berg also tried to be diplomatic in his statements.

So he spoke of the equipment shortage that may be a problem for Finland in the north. He also, however, declared that he respected Finns as soldiers and said that he believed that Finland was determined to defend itself.

Invasion Most Likely

When he was asked why then the Norwegians had drawn those nasty arrows across Finland on their maps, he replied: "Should we be unprepared for such an eventuality (too)?"

After thinking about it for a minute, however, he hastily added that an invasion is nonetheless the most likely alternative from the standpoint of the northern defense of Norwegian soil.

This distracts one's thoughts from the question as to how doubtful the Norwegian generals really feel about the main concern, the thinking of the Soviet military.

General Berg told us that he had visited the Soviet Union once. It was for a week in 1979. He retained a particularly good impression of the army training situation there. His week's stay was not enough to produce any illusion as to the army's "morale," its fighting spirit.

General Berg remained silent with regard to the validity of Finnish Army training. "I don't know about it since I have never been invited to Finland," he said smiling.

Judging from all this, Norwegian military leaders' interest in Finland and Sweden in the north is of a selfish defense nature.

Center of Gravity Is in the North

Top armed forces operational commanders in Oslo stress the fact that the center of gravity of Norwegian defense is still in the north and that the Kola Peninsula and the Soviet forces assembled there represent the biggest threat.

As a Nordic nation, Norway cannot even imagine that one Nordic country would launch an attack on another one. The source of its doubts lies in the activities of the superpowers. On the other hand, as a NATO country Norway depends on the United States.

Thus the Soviet Union is all that is left. And the Nordic equation leads to the calculation that the strengthening of Finland and Sweden's defenses in the north will also strengthen Norway's defense.

Norway also views such strengthening as necessary because, according to the calculations of the military, Soviet military superiority in the Northern Cap, as regards Norway, is crushing.

However, the rash statement Norwegian Col Asbjorn Lerheim issued in the vicinity of Tromso last week seems to have particularly annoyed Norwegian defense and foreign policy administrators.

During a visit by U.S. Defense Secretary Caspar Weinberger, Colonel Lerheim among other things asserted that Finland is incapable of stopping an invasion of Norway by Soviet troops through Lapland.

The military message of Lerheim's statement maintained that this is why defense arrangements for the northern parts of Norway must be in good shape and why more aid is needed from the United States.

"Here, we are a bit concerned that, if the moment of truth should come, U.S. aid will arrive too late," another officer affirmed on another occasion.

Lerheim's statement nevertheless had a pointedly political cast because it was issued in connection with Weinberger's visit when the U.S. defense minister was close to the Finnish border.

Both the commander in chief of the Norwegian Armed Forces and the defense minister hastened to "neutralize" Colonel Lerheim's statement. The newspapers announced that they had faith in Finland's ability to defend itself.

Experts stressed the fact that the profoundness of the "apology" emphasizes just how quickly and from how high up Lerheim's statement was refuted. "Politically speaking, the man is an idiot," was the way it was put in an embittered public relations comment made in the south.

11,466
CSO: 3617/142

GALLUP POLL: SIXTY-ONE PERCENT FEAR WORLD WAR THREAT

Stockholm SVENSKA DAGBLADET in Swedish 17 Jun 83 p 6

[Article by Claes-Goran Kjellander]

[Text] A majority of Swedes believe that there is a big risk of war--and that Sweden's actions to reduce the risk of war are of major significance.

That conclusion can be drawn from a study made for the Social Democrats by the Swedish Gallup Institute.

"How high do you feel the risk is that we will see a war between the super-powers within the next 50 years?" the Gallup poll asked.

Very or fairly high, answered 61 percent, with 28 percent answering that the risk was very or fairly low, while 11 percent did not answer the question.

When asked what was the international significance of the things we do in Sweden to create peace and call for arms reduction, 52 percent replied that our actions were very or fairly significant, while 42 percent said there was little or no significance to our actions.

Social Democrats Are Best Spokesmen

In the assessment of the risk of war, there were no significant differences from one party to another. But with regard to Sweden's significance, there was a clear distinction between socialist and nonsocialist sympathizers. There was greater faith in Sweden's importance in the ranks of the Social Democrats and VPK [Left Party Communists].

Supporters of all parties thought the Social Democratic Party was the one best able to represent Sweden internationally on peace and arms reduction issues. Of the 62 percent of the voters who named one party as best on this point, almost 55 percent named the Social Democratic Party.

The survey was comprised of about 1,000 interviews and was conducted in early May, or shortly after the Submarine Defense Commission presented its report. This is the first time Gallup has asked this particular question and thus one cannot say whether public opinion has changed or not.

Confidence in Government Increasing

The Gallup poll also showed that voter confidence in the ability of politicians to solve certain social problems seems to have increased. Asked whether a socialist or a nonsocialist government would have the greatest chance of handling certain questions, confidence in the respective governments has increased in five areas. These concern pensions, unemployment, economic development, price increases and the budget deficit.

However, nonsocialist sympathizers have considerably more confidence in a Social Democratic government than Social Democrats have in a nonsocialist one.

Asked which party does the most to reduce red tape and bureaucracy, 23 percent said the Conservatives, 8 percent said the Social Democrats, 3 percent said the Center Party and the Liberal Party and 1 percent said VPK. And 62 percent could not single out one party above all the rest.

Among the 34 percent of Social Democrats who expressed an opinion, almost a third, or 10 percent, said the Conservatives are the best at cutting red tape.

6578

CSO: 3650/228

CONSERVATIVE BILDT ATTACKS SDP ON BUDGET, ANTISUB EFFORT

Oslo AFTENPOSTEN in Norwegian 14 Jun 83 p 10

[Article by Morten Fyhn, AFTENPOSTEN correspondent: "Palme Does Not Take the Soviet Threat Seriously Enough"]

[Text] Stockholm, June. "It is quite obvious that in certain situations the Soviet Union is also ready to attack Sweden. Our relations with one of the superpowers is undergoing deep and serious crisis. Olof Palme is content just to talk about strain," says Carl Bildt, security policy spokesman for the Conservative Party, to the AFTENPOSTEN.

The almost 34-year-old Bildt has brought on Palme's anger to such extent that the prime minister neither wants to talk to him nor greets him when they meet.

Bildt was a member of the government's submarine commission which concluded that the submarines off Stockholm last fall were Soviet. After that Bildt traveled to the United States on a private trip and met, among others, representatives of the U.S. Department of Defense. This, felt Palme, was extremely thoughtless of Bildt.

Wrong Person

In a few words Palme thinks, along with the support of the whole government in the form of collected condemnatory statements, that the wrong person (Bildt) traveled to the wrong place (United States) and spoke to the wrong people (from the Pentagon) about the wrong matter (Soviet submarines) at the wrong moment (shortly after Sweden's sharp note to Moscow.) According to Palme, Bildt's trip was conducive to harming the credibility of Swedish neutrality.

But Bildt is not affected by Palme's sensational excommunication. Bildt is in all quarters recognized as one of the country's foremost experts on foreign and security policies. Moreover, many see in him both an upcoming Swedish foreign minister and/or the chairman of Sweden's largest nonsocialist party by far. So it is far from being a weak and defenseless person who has attracted a powerful and furious enemy in the Swedish prime minister.

Serious Threat

Bildt is particular in stressing that Sweden's foreign and security political lines are firm. But the tasks have changed. "We are facing a serious and extensive threat by a superpower which does not respect our territorial integrity," says Bildt. He is talking about the frequent presence of Soviet submarines in Swedish interior waters.

[Question] What will the consequences of this be for Sweden?

[Answer] Partly that we must strengthen our defense and partly that politically, clearly and distinctly, we must act in a manner that will get the Soviet Union to respect Sweden.

Bildt finds it threatening that the Soviet government organ ISVESTIIA recently repeated the demand in the Soviet response note to Sweden about calling the persons who spread "false" information about the Soviet Union to account for it. "That indicates both the Swedish defense leadership and me," said Bildt.

"The Soviet Union threatened Sweden. The country behaves in a manner which we in our earlier security political analysis had not taken into account. We did not believe that the country would undertake such large-scale violations against Swedish territory as it so notoriously does. The military factors seem to carry a heavier weight in the Soviet Union than do the political factors.

"The political debate on security which is going on now is because of the Soviet submarines. It is the Soviet Union which is behind the direct threat against Sweden even though both superpowers' interest in Northern Europe has been stronger in recent years."

[Question] Will Sweden be able to maintain its neutrality in an eventual war?

[Answer] If the defense is strong enough, then we have a likely possibility of being able to remain outside it. But the submarines have shown that neutrality does not offer any absolute protection. In certain situations, the Russians are obviously ready to attack Sweden also even though Sweden is not a goal in itself. This must be viewed in connection with the interest in the whole area and the need to control the North Atlantic.

[Question] Does the government share this opinion of the Soviet Union?

[Answer] Those who deal with foreign policy do at any rate. But there is a scattered scare of speaking openly.

Bildt is of the opinion that Palme wants to tone down the extent of Sweden's problems in its relations with the Soviet Union and in that way improve it. "I do not think that it is the right way of doing it. I think that the greatest danger is that the Soviet Union will view us as weak and in disagreement. We must act on the basis of unity and strength," says Bildt.

The Conservatives Are Pleased

The Conservative Party is, however, pleased with Palme's reactions to the submarine commission report. Moreover, the party notes with pleasure that the navy will receive 250 million kroner in extra appropriations to strengthen submarine defense.

"We are beginning to have a sounding board for our policy," thinks Bildt.

But neither the party nor Bildt are especially gracious in more general talk about Palme's special style and the content of his foreign policy.

"Palme wants to look at himself as a global leader of people and an opinion former. His methodology is characterized, among other things, by a high verbal profile on distant conflicts. When he is confronted with a security problem in our vicinity, this methodology is unsuitable as well as dangerous."

[Question] How so?

[Answer] It is too superficial. In the tension between Palme's methodology and our security problems, confusion arose in the foreign policy of the Social Democrats. This was easy to see in the Bahr affair, for example, says Bildt. With the Bahr affair he is alluding to the fact that the West German Social Democratic opposition politician Egon Bahr played a significant role in forming the Palme government's initiative about a nuclear-free corridor in Central Europe.

"It has also been the tendency within the government to play too much to the Eastern side in foreign policy. In the United Nations, Sweden has supported a proposal from Cuba and East Germany about 'first use' of nuclear weapons. On the whole, the government has handled foreign policy too leniently. Not everyone has woken up yet," says Bildt.

As to a Nordic nuclear-free zone, Bildt says that the debate itself could be positive. It would lead to discussions about the security policy situation of the Nordic countries and along with that perhaps increased understanding. But Bildt urges caution with respect to a Swedish initiative and "above all one must be particular about what one says," he stated.

"The credibility of the Soviet Union is dramatically reduced in Sweden. We cannot build up Swedish security policy on so-called binding promises, neither from the Soviets nor from others but on realities. This is demonstrated by the submarine violations. The Soviet Union says that the country does not violate Sweden. But we here in the country say they do," says Carl Bildt.

9583

CSO: 3639/130

NEW DEFENSE MATERIEL AGENCY SECURITY CHIEF ON ESPIONAGE

Stockholm SVENSKA DAGBLADET in Swedish 19 Jun 83 p 7

[Article by Omar Magnergard]

[Text] The Defense Materiel Agency (FMV) is one of the country's most sensitive job sites, from a security point of view. It attracts both industrial espionage and the espionage organizations of foreign countries.

It is FMV that comes up with new materiel for the Swedish armed forces. Often this involves highly-developed electronics, for airplanes, artillery batteries and ships, for example.

Security measures in FMV are now being tightened further.

This follows an internal review ordered by the new director general, Carl-Olof Ternryd. It was critical of security precautions, which were said to have some shortcomings.

Chief examiner Lars Bratt: "The security section lacks an overall view. There have been deficiencies in cooperation. And specialists have not been utilized effectively enough."

Handpicked from SAPO

The new security chief as of 1 April is Police Superintendent Thomas Rimer. He was handpicked from SAPO [Security Police]. There he was responsible for the security protection section (secrecy, infiltration and personnel precautions, new technical aids, etc.).

"I must assume that there are leaks within FMV," said Thomas Rimer. "That attitude is part of my job, in a manner of speaking."

FMV has 3,800 employees. They are spread over a number of areas, such as Stockholm, Karlstad, Malmslatt (testing section) with research sites at Karlsborg and Vidsel, Trollhattan, Karlskoga, Arboga, Linkoping, Motala, Skovde, Karlskoga and Malmo.

Thomas Rimer said that it is his ambition to raise the security level at FMV.

"Though this must occur within the same personnel framework. Altogether there are 12 of us working solely on security precaution matters."

Security in the Planning Stage

FMV's materiel procurement includes the entire preliminary stage in addition to actual purchasing. From planning to purchase, manufacturing, testing and supervision of materiel.

"OB [Commander in Chief] feels security precautions enter the picture too late. Often they do not enter in before the production phase. They should be set in back when things are on the drawing board."

A task force under Thomas Rimer--with personnel from the National Police Agency and the Defense Security Division--has drafted new SUA rules. The abbreviation stands for "regulations and guidelines concerning security precautions involving procurement or work for the needs of the nation that should be kept secret for reasons of national security."

Before the regulations go into effect, the government must make its own comments on the subject of personnel checks. It is recommended that these be made stricter. Among other things, people working with materiel stamped secret would be checked and approved at least every 5 years.

The defense system buys millions of different things. Around 2,000 Swedish firms deliver components--along with approximately 200 foreign subcontractors.

Daily Foreign Visits

Today the Swedish defense industry cooperates with the other Nordic lands as well as with Austria, West Germany, France, the United States, Yugoslavia, England and Italy, among others.

Naturally this involves many daily foreign visits - the "brick pile" on Banergatan in Stockholm. Sensitive matters. Before a special visitors' room has recently been readied near the entrance. There foreign visitors can meet the agency people they have appointments with--without entering the premises.

Most important, in Thomas Rimer's opinion, is to instill an increased awareness of security among all those working with defense materiel.

"I realize that system technicians do not feel that security problems are the primary issue in their daily jobs. Our job is to convince them how important this is. This can only be done through providing sensible reports and information."

6578

CSO: 3650/228

RECENT SUB HUNT SHOWED DEPTH BOMBS INEFFECTIVE IN LOW WATERS

Stockholm SVENSKA DAGBLADET in Swedish 17 Jun 83 p 6

[Article by Erik Liden]

[Text] More money for weapons is not enough to quickly improve the Swedish submarine-hunting capacity in shallow bays and sounds. The controversial incident torpedo was unable to force a minisubmarine to come to the surface and a successful attack with the miniature depth charge, Elma, required 15-20 hits on the submarine.

This information was provided by the defense staff and stresses that the goal of current and future submarine hunts is to combat foreign submarines as soon as they violate Swedish borders on the open sea. This requires improved surveillance equipment, among other things, radar, ocean floor coils and airplanes.

Navy tests have shown that the torpedo 42 with an incident charge does not function well in the inner archipelago. The torpedo works especially poorly when dropped from a helicopter. It then descends so far down--more than 25 meters--before the torpedo engine starts up that the torpedo cannot be used in such places as Harsfjarden. Firing it from a submarine or from a patrol boat/robot boat has a greater chance of success. The target-finder is guided by the sound of a propeller and the range is around 20 kilometers.

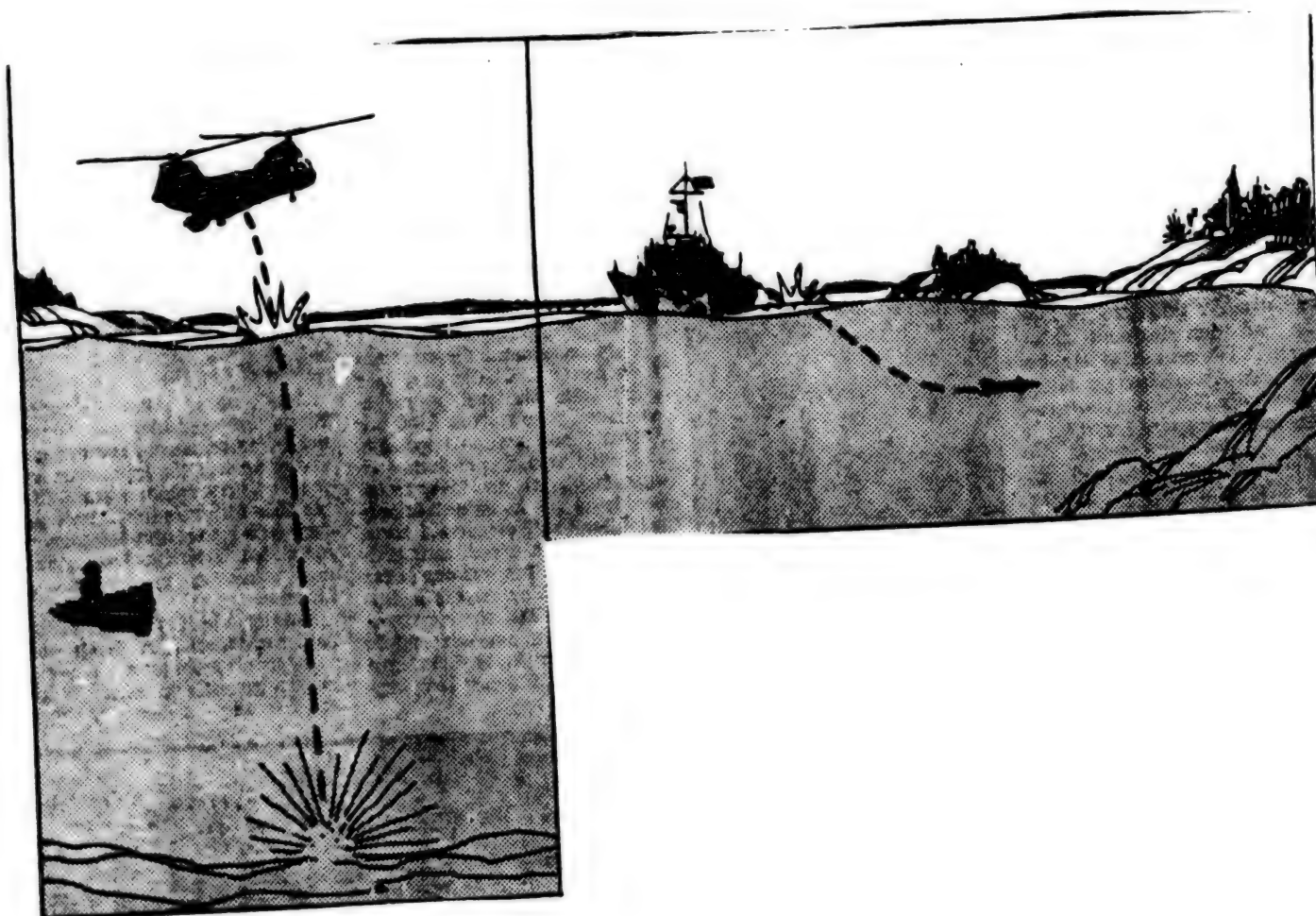
The torpedo 42 cannot handle submarines that are not moving.

Big Series

Apparently, torpedo 42 did not work well in Harsfjarden's shallow waters. The depth charges are now being rebuilt so they can detonate at all depths, which was not the case in Harsfjarden. But they still work best in deep water. Tests were conducted with patrol boats so that heavy depth charges could be dropped at high speeds and thus could reach foreign submarines even in surface situations.

The Elma mini-depth charge is now being mass produced and a special launcher is being mounted on various vessels. According to information from various

sources, a series of at least 30 Elma charges is needed to make the chance of a hit great enough--around 15-20 strikes--that a submarine would be forced to come to the surface. The Malin signal bomb is used in the same way, even though it is dropped in the water manually. Via a magnet, it attaches itself to the hull of the submarine. The Malin must also be dropped in large quantities.



Incident torpedo 42, which was supposed to solve the armed forces' sub-hunting problems, has shown clear defects in test firings in such places as Harsfjorden. When dropped from a helicopter, it sinks more than 25 meters before the torpedo engine starts up. It functions very unreliably after hitting the bottom. Firing it from a ship involves problems in shallow and narrow archipelago areas. Spits of land and the ocean floor can receive the torpedoes instead of the submarine that is being hunted.

Equipment Delayed

All in all, the submarine hunt in Harsfjarden and Sundsvall showed that all weapons must be dropped in clusters if any effect is to be attained. Individual depth charges and Malin bombs that were dropped in Harsfjarden had no chance at all of hitting the miniature submarines.

The fact that things go slowly in modernizing the navy's submarine helicopters is apparent when we consider that it is now more than 2 years since it was decided that new equipment was needed for helicopter Numbers 8-10 of the 4 B-C Vertol type. The decision has not yet been implemented.

The navy is therefore considering new submarine-hunting helicopters with the equipment already installed. In August the Commander in Chief and the government will decide if a new acquisition is in order or if the air force should lend out four rescue helicopters for future submarine hunts.

American planes with ultramodern weapons are also being studied.

Minesweepers and the first robot boats from the Karlskrona shipyard will also need adjustments for hunting submarines, especially in archipelago areas where sensitive hydrophone equipment functions admirably.

"It is vital for the navy that the acquisitions that now become possible due to extra appropriations are made quickly and that they be followed up by appropriations for future operation and maintenance. Otherwise it will be like buying an exclusive car without having enough money for gasoline," said Captain Sven Carlsson, information chief on the navy staff.

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CSO: 3650/228

NAVY MAINTAINING HIGH LEVEL OF ALERT FOR SUB INCURSIONS

Stockholm SVENSKA DAGBLADET in Swedish 17 Jun 83 p 6

[Article by Erik Liden]

[Text] For about a month, the navy has not noted any new foreign submarines in Swedish waters. That is a longer period of time than at any time during the ice-free period last year.

"But we do not believe that the incidents will now cease," navy staff information chief Captain Sven Carlsson told SVENSKA DAGBLADET. "The pattern we have seen in submarine behavior in the past points to new visits. Our level of readiness is considerably higher than it was in 1982.

"That is true of both materiel and personnel. For reasons of secrecy, no concrete examples can be mentioned, but obviously we have learned a great deal from the actions of the midget submarines in such places as Harsfjarden."

Frogmen who have been at work in various locations along the coasts since last October are continuing their examination of the ocean floor at Sundsvall, but no spectacular finds have been reported.

The divers are also searching narrow sounds and inlets along the east and south coasts where all previous reports of submarines were evaluated as improbable. At present the navy staff would not comment as to whether any finds had been made.

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CSO: 3650/228

PEACE RESEARCH PROFESSOR ON MILITARY COOPERATION WITH WEST

Stockholm SVENSKA DAGBLADET in Swedish 16 Jun 83 p 3

[Article by Wilhelm Agrell]

[Text] Wilhelm Agrell is a peace and conflict researcher in Lund. Earlier articles were by: Kjell Goldmann, 1 June; Gunnar Heckscher, 7 and 9 June; Ingemar Engman, 12 June and Carl Bjoreman, 14 June.

A security policy debate is now under way in Sweden that can unquestionably be called the most thorough debate since the one on nuclear weapons at the end of the 1950's. Therefore it is natural that the debate gives a somewhat confused impression and it is equally natural that those who are trying to keep their hands on the tiller of foreign policy are not particularly amused by it.

The reason for this sudden interest in security policy is what will probably be called by posterity the "submarine crisis," the series of extensive submarine intrusions from the summer of 1982 which led to domestic and foreign policy complications. In contrast to posterity, we do not know where the submarine crisis will lead, and we also have very unclear ideas as to the reasons behind it.

Symptoms of Submarine Crisis

But we can achieve more clarity in the debate by avoiding an intermingling of the immediate and the long-range significance of the submarine crisis. The immediate significance involves Sweden's actions in the current situation, both military and diplomatic. In concrete terms, this involves the question of how Sweden should act in the face of new violations and what might be expected to happen if the armed forces succeed in forcing a foreign submarine to the surface or in sinking one.

It is on this level that most of the difficulties lie and it is also here that we are justified in talking about a crisis. If the intrusions continue the government will be faced with anything but pleasant choices, especially

against the background of the ultimatum on what could befall new intruders, which has been repeated several times.

But in its present form, the submarine crisis scarcely represents a threat to security policy arrangements. This does not mean that the submarine crisis has no effect on this policy, but its importance is of a more long-range type. The submarine crisis can be regarded as a symptom of deeply-rooted problems in Swedish security policy, problems that have existed and have probably intensified over a long period of time, but never manifested themselves for various reasons. And things that don't show up are easy to regard as nonexistent or unimportant. We can recognize this pattern from many areas.

Create Readiness for Action

Kjell Goldmann discussed the more long-range perspective in an article in BRANNPUNKT. In the article, Goldmann pursued a deliberately controversial line. His starting point was that the submarine crisis showed that the Swedish defense system lacks an adequate deterrent capacity and that in principle we are confronted with three action alternatives: to arm ourselves further, to adapt ourselves to the Soviet Union or to cooperate with the western powers.

Goldmann dismisses the first two alternatives and then points to the relative advantages that cooperating with the West can involve, even though the political price can be high. Goldmann, whose arguments are presented with numerous reservations, does not believe that western cooperation is ideal, but he does feel it might be the only alternative to making adjustments to the East.

I do not agree with Goldmann on these matters, but I agree with him fully when he stresses the need to discuss them in order to create readiness for action.

Warfare at Low Level

My first objection concerns Goldmann's interpretation of the deterrent capacity of Swedish defense. Do the submarine incursions really call that into question? The commission regarded the submarines as part of the activity of operative preparations for war. Such preparations are nothing new and say nothing about whether the Soviet Union would put its plans into action in certain situations. Both superpowers are carefully making preparations for nuclear war, but that in itself does not justify one in reaching any conclusions about the viability of the nuclear deterrent.

It is quite another matter that so far the submarines have not been afraid to come into the archipelagoes. For purposes of comparison, the submarine violations can be regarded as a kind of warfare at a very low level and with very strong restrictions on both sides.

Militarily, not much can be gained at this low level and Sweden's lack of deterrence here does not indicate anything about deterrence at the substantially higher levels of war where the threat would be of a more tangible nature. The submarine crisis cannot be used as an argument either for disarming ourselves completely or for modernizing all our rifle regiments into organization 77 infantry brigades.

Threat to Soviet Union's Northern Flank

Sweden's chances of remaining outside a war depend not only on the capacity of the armed forces and other branches of total defense, but also on our political determination to maintain neutrality. If this determination is shaken, it cannot be made up for by deterrent capacity; Swedish neutrality would then lose its credibility and because of geographic and strategic conditions, Sweden would be drawn into the initial phases of a full-scale war with all that might entail, for instance a possible escalation into a nuclear war.

In some ways this perspective is missing in Goldmann's arguments on the possibilities for Sweden to seek an agreement on military aid with NATO. If Sweden entered into this kind of alliance or if the Soviet Union suspected anything of the kind, it would hardly regard a Swedish neutrality toward the West as credible. A Sweden dependent on aid could hardly be expected to resist pressure, nor would it be likely to do so, on the part of the potential assistant.

And a Sweden in cooperation with the United States and NATO would constitute a threat to the entire Soviet northern flank in a war. In all likelihood, such a threat would be liquidated at an early stage. Goldmann's conclusion that an arrangement for western aid would make Soviet action against Sweden "less likely" is not reasonable against this background. Such action would be all but guaranteed.

Help with Nuclear Weapons

This is further underlined by what could be involved in the concept of western help. Goldmann does not discuss whether it would be in western interests to give Sweden any assistance, if there were any resources available for doing so, and for what aims the help would be provided. Thus it could very well lie in the interests of the United States to make use of Sweden in an extended strategy and thus turn Sweden into a primary theater of war.

On the other hand, it could very well happen that help that had been agreed on in advance could not materialize after all, due to war developments on other fronts. Help from the West would also ultimately include help in the form of nuclear weapons. None of these prospects is particularly attractive.

Western Assistance Nothing New

Goldmann's argument on neutrality remains somewhat up in the air since he goes directly from the submarine crisis to the three theoretical action alternatives. But any argument on changing neutrality policy in the future must be based on the policy actually being pursued. We must know the kind of policy that is creating the problems. Is it a straightforward policy of absolute neutrality or a diffuse and contradictory one? I will give just a few examples here of how important this is.

Up until the Commander in Chief's 1965 program, OB-65, the military authorities defined one of the defense system's main tasks as being the fending off of an invasion from the East for a long enough time and with sufficient determination that help from the West could arrive. It was also considered vital that Sweden have adequate resources so that it would seem worthwhile for the western powers to supply such assistance.

Thus the question of help from the West can be regarded as an important part of Sweden's military strategy during at least the first two decades after World War II.

Dictating Credibility Ourselves

Sweden's neutrality policy in the 1970's, when the country went through a rapid economic and industrial integration with the West, was characterized by the fact that the problem of credibility was not assigned any decisive importance. Policy was also based on the belief that Sweden itself could dictate credibility through unilateral declarations.

In connection with the free trade agreement with EC as well as with offering the Viggen airplane to four NATO countries (with guarantees of continued delivery even in wartime), the Swedish government declared that this was not in conflict with the traditional Swedish policy of neutrality.

Consistent Neutrality Policy an Alternative

I agree with Goldmann when he points out that the submarine crisis exposed the structural dilemma of neutrality policy and that it will be increasingly difficult in the future to continue with the present development. But in my interpretation, the alternative of a consistent neutrality policy in which credibility on both sides is heeded in actual policy has not been tried. Such a policy has existed only in declarations and thus it cannot be said to have failed.

There are a number of difficult problems that would primarily affect the shape of defense and the defense industry, as a result of a more absolute neutrality policy. These problems could be costly in some areas, but this does not necessarily mean either accepting continued submarine incursions or abandoning our fundamental defense ambitions.

6578

CSO: 3650/228

USSR APPARENTLY HAS NOT SPOKEN ON 'GREY ZONE PACT' EXTENSION

Oslo AFTENPOSTEN in Norwegian 13 Jun 83 p 12

[Article by Morten Malmo: "Government Will Probably Extend the Grey Zone Agreement"]

[Excerpts] The so-called "grey zone pact" is an agreement between Norway and the Soviet Union concerning fishing in the Barents Sea. The pact is an interim one, renewable for a year at a time. Norway and the Soviet Union have not come any closer to compromise in the last few years as regards the possibilities for dividing up the Barents Sea in such a way as to be acceptable to both parties. As is well-known, Norway wishes to follow the "midline principle," whereas the Soviets think the border should follow the so-called "sector line." The area under dispute is a substantial one, involving 155,000 square kilometers. Down through the years various compromises have been suggested, without any real breakthrough occurring in the negotiations.

Both Norway and the Soviet Union have agreed that they will mutually refrain from searching for oil or gas in the "grey zone" area until the borderline is determined. It was because of this that quite a stir was raised when the Soviet drilling ship "Valentin Shasin" was discovered a few weeks ago right at the midline, although on the Russian side, right where Norway asserts that the border between the two nations should be in the Barents Sea.

It is currently the Soviet Union's turn to invite Norway to negotiate the Barents Sea issue, but according to AFTENPOSTEN's sources, the Foreign Ministry has not as yet heard from the Russians concerning a new round of negotiations. Why the Soviets are waiting can only be guessed. Perhaps the Soviets are hunting for new factors in the case, or they are letting the time pass to make the Norwegian authorities impatient. Another reason could be that the former chief negotiator for the Soviets in this matter, Podtserov, died last fall.

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CSO: 3639/131

OCEAN ISSUES

NORWAY

GOVERNMENT FORMALLY ASKS STORTING FOR 'GREY ZONE' RENEWAL

Oslo AFTENPOSTEN in Norwegian 18 Jun 83 p 8

[Text] Foreign Minister Sverre Strøm has just finished consultations with the houses of the Storting concerning the government's decision to extend the so-called "grey zone pact" for 1 year starting on 1 July. AFTENPOSTEN has reason to believe that there is widespread support in the Storting for the government's position in this matter.

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July 22, 1983